

SOUTHWESTERN ELECTRIC POWER COMPANY  
GENERAL EMPLOYEE BENEFIT INFORMATION  
FOR THE TEST PERIOD ENDED MARCH 31, 2020

1. Please refer to EXHIBITS ARC-8a through ARC-9b sponsored by witness, Andy Carlin for descriptions of employee benefits paid for in part or in total by SWEPCO, the classification of employees eligible for the benefit, and an explanation of the plan's method of funding.
2. Please refer to Attachment 1 for claims paid by month during the test year for the SWEPCO functions for those benefit plans that are primarily self-insured. The payments shown represent SWEPCO's active and retired employees' claims paid from the AEP Voluntary Employees' Beneficiary Association (VEBA) medical/dental and LTD trusts. The payments do not represent the costs of the medical, dental, or LTD plans recorded on SWEPCO's books since these costs are determined by SWEPCO's contributions to the trust funds. For the medical and dental plans, the cost to SWEPCO is net of the employee contributions.
3. Please refer to Attachment 2 for premium payments to third-party insurance carriers by month during the test year for the SWEPCO functions. The dental and life insurance premiums shown were paid from AEP's medical and life insurance VEBA trusts that are funded by contributions from the Company.

Also, please refer to the documents in Attachments 3 - 5 for the Aetna Medicare Advantage, Aetna Dental DMO and the Minnesota Life Life and AD&D insurance, which include the monthly per employee rates for 2019 and 2020.

4. The company adds 100% to participating employees' retirement savings plan (401k) account for every dollar they contribute up to the first 1% and 70% for every dollar they contribute up to the next 5% each pay period.

Please refer to Attachment 6 for the Retirement Savings Plan Contributions.

5. Please refer to lines 1271 through 1305 on Schedule A-4 for the requested employee benefits expense.
6. The funded costs of medical, prescription drug, dental, and life insurance benefits for retirees are included separately in pro-forma adjustments A-3.11 and A-3.12. No costs for current benefits of retirees are included in Schedule G-2.

TX SWEPCO

4.1.19-3.31.20 Test Year

Claim payments by month for test period

Month	MEDICAL				DENTAL <sup>(2)</sup>		LTD	TOTAL	
	Aetna & Anthem <sup>(1)</sup>		Express Scripts		Aetna		Prudential	Self Insured - Totals	
	Active	Retirees	Active	Retirees	Active	Retirees	Active	Active	Retirees
Apr-19	\$ 912,100	\$ 326,394	\$ 331,896	\$ 356,600	\$ 95,512	\$ 44,568	\$ 9,979	\$ 1,349,486	\$ 727,563
May-19	\$ 1,382,873	\$ 624,476	\$ 435,965	\$ 605,867	\$ 95,375	\$ 55,382	\$ 112,089	\$ 2,026,302	\$ 1,285,725
Jun-19	\$ 1,397,848	\$ 145,470	\$ 342,480	\$ 344,758	\$ 93,014	\$ 38,341	\$ 40,172	\$ 1,873,514	\$ 528,569
Jul-19	\$ 1,642,136	\$ 178,871	\$ 322,098	\$ 368,532	\$ 106,872	\$ 38,193	\$ 38,637	\$ 2,109,743	\$ 585,597
Aug-19	\$ 1,571,652	\$ 646,272	\$ 310,084	\$ 380,050	\$ 116,085	\$ 49,689	\$ 34,727	\$ 2,032,549	\$ 1,076,011
Sep-19	\$ 1,211,953	\$ 170,454	\$ 378,914	\$ 403,933	\$ 74,255	\$ 38,057	\$ 68,459	\$ 1,733,580	\$ 612,444
Oct-19	\$ 1,369,242	\$ 174,244	\$ 450,012	\$ 619,526	\$ 90,993	\$ 46,933	\$ 94,410	\$ 2,004,656	\$ 840,703
Nov-19	\$ 1,564,526	\$ 133,216	\$ 308,245	\$ 456,935	\$ 72,099	\$ 42,620	\$ 124,691	\$ 2,069,561	\$ 632,771
Dec-19	\$ 1,316,464	\$ 223,715	\$ 334,658	\$ 443,152	\$ 94,556	\$ 40,062	\$ 58,143	\$ 1,803,821	\$ 706,929
Jan-20	\$ 1,574,316	\$ 293,252	\$ 328,382	\$ 415,854	\$ 104,717	\$ 46,615	\$ 316,118	\$ 2,323,532	\$ 755,720
Feb-20	\$ 775,328	\$ 117,556	\$ 231,022	\$ 361,909	\$ 96,700	\$ 42,890	\$ 54,893	\$ 1,157,943	\$ 522,355
Mar-20	\$ 1,064,683	\$ 169,861	\$ 281,793	\$ 486,397	\$ 80,701	\$ 28,971	\$ 153,033	\$ 1,580,210	\$ 685,229
Totals	\$ 15,783,119	\$ 3,203,781	\$ 4,055,549	\$ 5,243,514	\$ 1,120,878	\$ 512,322	\$ 1,105,350	\$ 22,064,896	\$ 8,959,617

[1] AEP moved to a new primary carrier for actives and Under 65 Retirees in 2016 which includes Behavioral Health coverage.

[2] Includes only the self-insured dental plan

TX SWEPCO

4.1.19-3.31.20 Test Year

Fully-Insured plans premiums by month for test period

Month	MEDICAL <sup>1</sup>		DENTAL <sup>2</sup>		LIFE_AD&D	
	Aetna - MedAdv		Aetna		Minnesota Life-Securian	
	Retirees		Active	Retirees	Active	Retirees
Apr-19	\$ 41,038		\$ 26	\$ 34	\$ 42,954	\$ 59,235
May-19	\$ 41,068		\$ 26	\$ 34	\$ 45,737	\$ 59,303
Jun-19	\$ 41,393		\$ 26	\$ 34	\$ 44,932	\$ 59,304
Jul-19	\$ 41,510		\$ 26	\$ 34	\$ 48,489	\$ 62,650
Aug-19	\$ 41,542		\$ 26	\$ 34	\$ 49,349	\$ 62,616
Sep-19	\$ 41,542		\$ 26	\$ 34	\$ 38,313	\$ 34,942
Oct-19	\$ 41,402		\$ 26	\$ 34	\$ 50,592	\$ 34,923
Nov-19	\$ 41,634		\$ 26	\$ 34	\$ 50,203	\$ 62,379
Dec-19	\$ 43,133		\$ 26	\$ 34	\$ 50,149	\$ 63,586
Jan-20	\$ 78,793 <sup>3</sup>		\$ 13	\$ 34	\$ 60,899	\$ 63,439
Feb-20	\$ 78,793 <sup>3</sup>		\$ 39	\$ 35	\$ 60,537	\$ 64,292
Mar-20	\$ 78,793 <sup>3</sup>		\$ 26	\$ 35	\$ 60,603	\$ 64,040
Totals	\$ 610,643		\$ 311	\$ 415	\$ 602,756	\$ 690,707

[1] AEP moved Over 65 Retirees to a fully-insured Medicare Advantage plan in 2018

[2] Includes only the fully-insured dental plan. This plan is rarely selected as AEP also offers an DPI

[3] Includes CMS mandatory Medical Health Insurance Fee (HIF) required in 2020



# **MEDICARE ADVANTAGE RATE PROPOSAL**

Plan Sponsor Name: American Electric Power Service Corporation  
Plan Sponsor Unique ID: 15163  
Group Number: AE467119,AE467113,AE467118,AE467116  
Policy Period Start Date: 1/1/2020  
Policy Period End Date: 12/31/2020  
Medical Plan: Custom Med C03 ESA Plan  
Hearing Aid Reimb Adjustment: \$500 / 36 months  
Lens Plan Option: Discounts Only

- Please refer to the Financial Conditions and Plan Design Exhibits for an outline of the level of benefits quoted, as well as the terms and conditions of this proposal.
- Your Aetna Group Medicare Plan for January 1, 2020 will be automatically renewed if we do not hear from you by October 1, 2019.
- Filed benefits (including copayment amounts), value added services and premiums are subject to CMS approval, and are effective January 1, 2020 through December 31, 2020.
- All rates are on a Per Member Per Month (PMPM) basis.
- These rates exclude commissions.
- The Patient Protection and Affordable Care Act imposes a new Health Insurer Fee (hereinafter "Fee"). The Fee is effective as of January 1, 2014. This rate quote includes, where permitted, the estimated proportionate allocation of this Fee.

Medical Health Insurer Fee: \$24.96

	Medical Rate Excluding HIF	Medical Rate Including HIF
Current	\$46.41	\$46.41
Proposed	\$55.04	\$80.00
Change	\$8.63	\$33.59

Total Medicare Eligible Members	12,682
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State	Medicare Eligible Members	Medical Rate Excluding HIF	Medical Rate Including HIF
Alabama	20	\$55.04	\$80.00
Alaska	2	\$55.04	\$80.00
Arizona	39	\$55.04	\$80.00
Arkansas	245	\$55.04	\$80.00
California	18	\$55.04	\$80.00
Colorado	17	\$55.04	\$80.00
Connecticut	2	\$55.04	\$80.00
Delaware	2	\$55.04	\$80.00
District Of Columbia	0	\$55.04	\$80.00
Florida	382	\$55.04	\$80.00

Georgia	34	\$55.04	\$80.00
Idaho	2	\$55.04	\$80.00
Illinois	31	\$55.04	\$80.00
Indiana	928	\$55.04	\$80.00
Iowa	2	\$55.04	\$80.00
Kansas	4	\$55.04	\$80.00
Kentucky	350	\$55.04	\$80.00
Louisiana	348	\$55.04	\$80.00
Maine	5	\$55.04	\$80.00
Maryland	6	\$55.04	\$80.00
Massachusetts	5	\$55.04	\$80.00
Michigan	329	\$55.04	\$80.00
Minnesota	3	\$55.04	\$80.00
Mississippi	7	\$55.04	\$80.00
Missouri	33	\$55.04	\$80.00
Montana	2	\$55.04	\$80.00
Nebraska	6	\$55.04	\$80.00
Nevada	10	\$55.04	\$80.00
New Hampshire	2	\$55.04	\$80.00
New Jersey	20	\$55.04	\$80.00
New Mexico	12	\$55.04	\$80.00
New York	29	\$55.04	\$80.00
North Carolina	97	\$55.04	\$80.00
Ohio	3,810	\$55.04	\$80.00
Oklahoma	891	\$55.04	\$80.00
Oregon	7	\$55.04	\$80.00
Pennsylvania	32	\$55.04	\$80.00
South Carolina	69	\$55.04	\$80.00
South Dakota	2	\$55.04	\$80.00
Tennessee	116	\$55.04	\$80.00
Texas	1,908	\$55.04	\$80.00
Utah	4	\$55.04	\$80.00
Virginia	1,132	\$55.04	\$80.00
Washington	5	\$55.04	\$80.00
West Virginia	1,710	\$55.04	\$80.00
Wisconsin	2	\$55.04	\$80.00
Wyoming	2	\$55.04	\$80.00



# **MEDICARE ADVANTAGE RATE PROPOSAL**

Plan Sponsor Name: American Electric Power Service Corporation  
Plan Sponsor Unique ID: 15163  
Group Number: AE467114,AE467120,AE467117,AE467115  
Class Codes: Unassigned  
Policy Period Start Date: 1/1/2020  
Policy Period End Date: 12/31/2020  
Medical Plan: Custom Med C05 ESA Plan  
Hearing Aid Reimb Adjustment: \$500 / 36 months  
Lens Plan Option: Discounts Only

- Please refer to the Financial Conditions and Plan Design Exhibits for an outline of the level of benefits quoted, as well as the terms and conditions of this proposal.
- Your Aetna Group Medicare Plan for January 1, 2020 will be automatically renewed if we do not hear from you by October 1, 2019.
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- All rates are on a Per Member Per Month (PMPM) basis.
- These rates exclude commissions.
- The Patient Protection and Affordable Care Act imposes a new Health Insurer Fee (hereinafter "Fee"). The Fee is effective as of January 1, 2014. This rate quote includes, where permitted, the estimated proportionate allocation of this Fee.

Medical Health Insurer Fee: \$23.81

	Medical Rate Excluding HIF	Medical Rate Including HIF
Current	\$3.00	\$3.00
Proposed	\$11.63	\$35.44
Change	\$8.63	\$32.44

Total Medicare Eligible Members	5,405
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State	Medicare Eligible Members	Medical Rate Excluding HIF	Medical Rate Including HIF
Alabama	3	\$11.63	\$35.44
Arizona	13	\$11.63	\$35.44
Arkansas	53	\$11.63	\$35.44
California	9	\$11.63	\$35.44
Colorado	8	\$11.63	\$35.44
Connecticut	2	\$11.63	\$35.44
Delaware	2	\$11.63	\$35.44
Florida	173	\$11.63	\$35.44
Georgia	15	\$11.63	\$35.44
Hawaii	2	\$11.63	\$35.44

Idaho	1	\$11.63	\$35.44
Illinois	10	\$11.63	\$35.44
Indiana	418	\$11.63	\$35.44
Kansas	1	\$11.63	\$35.44
Kentucky	152	\$11.63	\$35.44
Louisiana	122	\$11.63	\$35.44
Maryland	5	\$11.63	\$35.44
Massachusetts	2	\$11.63	\$35.44
Michigan	185	\$11.63	\$35.44
Minnesota	0	\$11.63	\$35.44
Mississippi	1	\$11.63	\$35.44
Missouri	16	\$11.63	\$35.44
Montana	1	\$11.63	\$35.44
Nebraska	1	\$11.63	\$35.44
Nevada	2	\$11.63	\$35.44
New Hampshire	2	\$11.63	\$35.44
New Jersey	3	\$11.63	\$35.44
New Mexico	1	\$11.63	\$35.44
New York	3	\$11.63	\$35.44
North Carolina	50	\$11.63	\$35.44
Ohio	1,817	\$11.63	\$35.44
Oklahoma	409	\$11.63	\$35.44
Oregon	3	\$11.63	\$35.44
Pennsylvania	6	\$11.63	\$35.44
Rhode Island	1	\$11.63	\$35.44
South Carolina	52	\$11.63	\$35.44
South Dakota	2	\$11.63	\$35.44
Tennessee	41	\$11.63	\$35.44
Texas	769	\$11.63	\$35.44
Utah	2	\$11.63	\$35.44
Vermont	1	\$11.63	\$35.44
Virginia	398	\$11.63	\$35.44
Washington	2	\$11.63	\$35.44
West Virginia	643	\$11.63	\$35.44
Wisconsin	2	\$11.63	\$35.44
Wyoming	1	\$11.63	\$35.44

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## INITIAL CONTRACT ROUTING NOTIFICATION OF RISK

This Notification of Risk has been included with the routing of a contract that has been completed for your Business Unit. Please note that the contract file will reflect this routing and that the routing will determine who receives future contract amendments and termination notices. You must notify the Contract Analyst assigned to this contract if any of these names change so that the contract documents that you have on file mirror the original contract in our files. Failure to do so may result in your copies of the contract not reflecting its current terms.

You must also be aware of the need to protect our contract documents. This need arises from a number of sources. The following are the most generally recognized sources, but do not constitute an exhaustive list:

- ☐ They are AEP business documents and should be protected as such.
- ☐ The AEP General Terms and Conditions, except for the Professional Services Terms and Conditions, include a mutual confidentiality section.
- ☐ The General Terms and Conditions for Consulting Services, for Equipment, for Labor and Services, and for Engineering, Procurement and Construction Work contain a non-disclosure article that states, "Except as required by law, regulation, or judicial or administrative order, neither party shall disclose the terms of the Contract without the consent of the other party."
- ☐ Contract Letters may include in their body or in an Agreed Exceptions attachment additional constraints regarding access to information in the Contract.
- ☐ The contract may include licenses that restrict access to the licensed materials.
- ☐ The incorporated documents may include proposals that contain protected proprietary information.

A violation of any of the above constraints can result in potentially damaged relationships with suppliers, financial costs, and/or civil and criminal proceedings. You should familiarize yourself with your contract so that you can mitigate any of the risks that may apply to your contract.





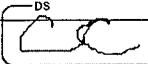
Please retain this notification with your copies of the contract and share it with those in your Business Unit that require regular access to your copies of the contract. If you need copies routed to additional individuals, please contact the individual who routed this to you.

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## CONFIDENTIAL

### Contract Routing Slip

Routing	Purpose	Initials	Date Signed
Karen Jenkins	Review		1/2/2019   3:22 PM EST
Marty Rosenthal	Review		1/2/2019   5:23 PM EST
Andrea Kirsh	Review		1/3/2019   10:57 AM EST
Manuel Alvarez	Review		1/3/2019   11:09 AM EST
	Review		
	Review		
Curt Cooper	Review & Signature		1/7/2019   8:20 AM EST
External Carbon Copies <small>Name - Company</small>		None	

**Date:** 12/31/2018

**Company:** AEPSC for itself and as agent for the operating companies of the American Electric Power system

**Contractor Name:** Aetna

**Contract Number/Amendment:** 03016353x103

**Contract Analyst:** Carol Walden

**Sourcing Analyst:**

**Contract/Release Value:**

**Price/Cost Model (T&M/Cost Plus/Lump Sum/Unit Price):**

**Type (Labor & Service, Material, Consulting):** Vendor terms

**Method of Procurement (Competitive Bid, Direct Source):** Direct source

**Description of Service/Work:** 2019 Dental plans

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**American Electric  
Power Service  
Corporation**

Fully Insured Dental  
Financial Renewal

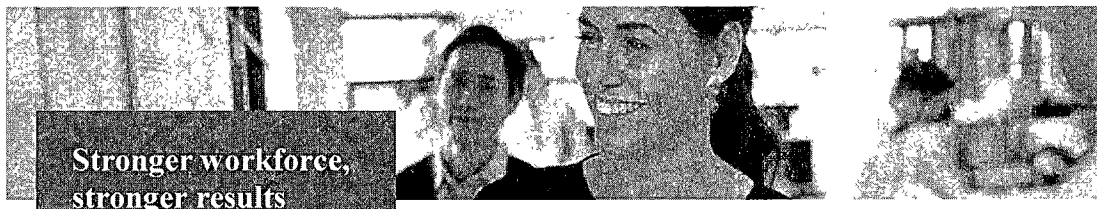
January 1, 2019 through  
December 31, 2019

Policyholder Number - 2068



**aetna**

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Ray Kunstmanas  
Underwriting Director  
National Accounts  
Phone (281) 492-8260  
E-mail KunstmanasR@aetna.com

Kelly Chester  
Underwriting Tech Lead  
National Accounts  
Phone (860) 273-6626  
E-mail ChesterK@aetna.com

May 31, 2018

Mr. Curt Cooper

American Electric Power Service Corporation  
One Riverside Plaza  
15th Floor  
Columbus, OH 43215

Dear Mr. Cooper:

**You've trusted us to offer and administer your dental benefits. And, together, this collaboration has produced impactful results and savings. As a health company, we're offering you more than just products and programs — we're helping your people live their best lives.**

This package includes important information about the cost of your current program. We know you put careful thought into your health care benefits strategy. You can count on us to listen and work with you to do what is needed to help get the results you want.

January 1, 2019 through December 31, 2019 marks the second year of a rate cap guarantee. As per the guarantee the level of funding for your DMO plan will increase by no more than 5 percent however based on your actual DMO enrollment by network, and the projected cost of care for these networks, your DMO plan is calling for the increase of 0 percent.

**Your rates remain in effect until December 31, 2019**

If there are no changes impacting the conditions of this renewal as outlined in the Financial Condition, your rates will remain in effect through December 31, 2019. You can contact

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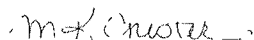
your Account Executive, Angela Morris, if you have any questions or need additional information at **614-787-0968** or **MorrisA1@aetna.com**.

**You can be better and stronger when you partner with us. And you'll be an example in your industry of an employer who takes good care of its people. One by one, we'll join your employees on their personal journeys to create a culture of health and strength.**

Sincerely,



Ray Kunstmanas  
Underwriting Director



Kelly Chester  
Underwriting Tech Lead

\_\_\_\_\_  
Signature of Authorized American Electric Power

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

<sup>1</sup> Aetna is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies. PPO/PDN is underwritten by Aetna Life Insurance Company. DMO is underwritten by Aetna Life Insurance Company, except as follows: Arizona, Georgia: AetnaHealth Inc. California: Aetna Dental of California Inc. Maryland, Missouri, North Carolina, Texas: Aetna Dental Inc. New Jersey: Aetna Dental Inc. and Aetna Life Insurance Company.

This managed care plan may not cover all dental expenses. Read the contract carefully to determine which dental services are covered. Members can contact the plan by calling the number on your digital ID certificate; all others call **1-877-238-6200**. Dental ID cards are not required to obtain dental services; therefore they are not standardly mailed to members. However members may view or print digital dental ID certificates by going into the secure member website at [www.aetna.com](http://www.aetna.com) or accessing our free mobile app at [www.aetna.com/mobile](http://www.aetna.com/mobile).

This material is for informational purposes only and is neither an offer of coverage nor dental advice. It contains only a partial, general description of plan benefits or programs

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and does not constitute a contract. Aetna arranges for the provision of dental care services. However, Aetna itself is not a provider of dental care services, and therefore, cannot guarantee any results or outcomes. Dental benefits and dental insurance plans contain exclusions and some benefits are subject to limitations and visit maximums. Consult the plan documents (Booklet, Booklet-certificate, Group Policy) to determine governing contractual provisions, including procedures, exclusions and limitations relating to your plan. The availability of a plan or program may vary by geographic service area. Certain dental plans are available only for groups of a certain size in accordance with underwriting guidelines. While this material is believed to be accurate as of the print date, it is subject to change.

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## Summary of Renewal Rates

### Dental Renewal Rates

American Electric Power Service Corporation  
Effective Date January 1, 2019

Policyholder Number: 2068

DMO				
Coverage Categories	Current/Assumed Employees	Current Rates	Renewal Rates	% Change
Emp Only	255	\$21.54	<b>\$21.54</b>	0.0 %
Emp + Spouse	152	\$43.09	<b>\$43.09</b>	0.0 %
Emp + Child(ren)	69	\$48.06	<b>\$48.06</b>	0.0 %
Emp + Family	145	\$70.01	<b>\$70.01</b>	0.0 %
Monthly Total	621	\$25,509.97	<b>\$25,509.97</b>	0.0 %

Monthly Totals	621	\$25,509.97	\$25,509.97	0.0 %
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"Aetna" is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies. PPO/PDN is underwritten by Aetna Life Insurance Company. DMO is underwritten by Aetna Life Insurance Company, except as follows: Arizona, Georgia: Aetna Health Inc. California: Aetna Dental of California Inc. Maryland, Missouri, North Carolina, Texas: Aetna Dental Inc. New Jersey: Aetna Dental Inc. and Aetna Life Insurance Company.

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## **Plan Benefit Information**

### **Plan Benefit Information**

The State of New Jersey requires that DMO coverage can be available only when employees also have the choice to enroll in an alternate plan. To ensure compliance, the State of New Jersey requires that the attached "Notice of Receipt and Compliance" document be provided annually to plan sponsors offering DMO in New Jersey.

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## Plan Benefit Information

**Aetna**  
**DMO® - Dental Maintenance Organization**  
**New Jersey Special Instructions**

- 1) Must deliver copy of NJ laws and return completed Compliance Form
- 2) A signed Master Application is required.

**NJ State Laws and Compliance Form:**

DMO coverage in NJ is only available when the employees also have choice of an alternate plan. As a result, the DMO can only be sold to NJ members as part of a Freedom of Choice, Dual Option or Dual Choice sale. To ensure Plan Sponsors are in compliance, NJ requires the attached state laws to be delivered to all plan sponsors electing DMO coverage. Aetna is also required to obtain and keep on file notice of receipt and compliance of the laws by the plan sponsor. Attached you will find the laws to be delivered to the plan sponsor and the Compliance Form which must be signed by the plan sponsor and returned with the Master Applications.

**Master Application:**

Only one Master Application is required to implement a DMO plan offered to NJ employees.

rev 5-12-03

**AETNA DENTAL INC.**  
**NEW JERSEY - DENTAL PLAN ORGANIZATION LAWS**  
**NOTICE OF RECEIPT AND COMPLIANCE**

New Jersey law requires that certain plan sponsors contributing to dental plan organization (DMO) coverage also offer to covered persons the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

State law also requires that Aetna Dental Inc. provide affected plan sponsors with copies of the applicable statutes/regulations and that those plan sponsors furnish to us written verification of their compliance with the law.

Per your signature below, you certify your organization's receipt of and compliance with New Jersey Statutes 17:48D-9.1 and 9.2 and New Jersey Administrative Code 11:10-2.1 through 2.6. requiring selection of alternate coverage.

Plan Sponsor: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Attachments: NJAC 11:10-2.1  
NJAC 11:10-2.2  
NJAC 11:10-2.3  
NJAC 11:10-2.4

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## Plan Benefit Information

NJAC 11:10-2.5  
NJAC 11:10-2.6  
NJSA 17:48D-9.1  
NJSA 17:48D-9.2

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## Plan Benefit Information

rev: 05-12-03

### AETNA DENTAL INC. NEW JERSEY - CODE AND STATUTES

#### New Jersey Administrative Code

##### 11:10-2.1 Purpose

P.L. 1983, Chapters 142 through 145, require that each employer or other organization subject thereto offer its employees or members the option of selecting alternate coverage which permits covered persons to obtain dental services from any dentist of their choice whenever the employer is contributing to a dental plan contract (as described in N.J.A.C. 11:10-2.2(a)). These statutes also direct the Commissioner to promulgate rules and regulations to effectuate their purposes. This subchapter is being promulgated to meet this statutory mandate and to implement the notification requirements of the statutes.

##### 11:10-2.2 Scope and application

(a) This subchapter applies to each employer or other organization which:

1. Employs or has 25 or more employees or members during the full preceding calendar year; and
2. Contributes to a dental plan contract.

(b) Insurers, dental plan organizations, and dental service corporations which are authorized to enter into contracts providing dental coverage are also subject to this subchapter.

##### 11:10-2.3 Definitions

The following words and terms, when used in this subchapter, have the following meanings unless the context clearly indicates otherwise:

"Alternative coverage" means a plan that permits covered persons to obtain dental services from any licensed dentist.

"Dental plan contract" means any contract issued by a health insurer, dental plan organization, or dental service corporation which restricts covered persons in selecting the providers of dental services to a single provider or a limited number of providers.

"Enrollment period" means a period of time, of not less than one month's duration, prior to the renewal of a dental plan contract during which employees or members are afforded the option to be covered under the dental plan contract or alternative coverage.

"Other organization" means a group of 25 or more members to which a dental plan contract has been or is to be issued including, but not limited to, labor unions and associations.

"Renewal" means to begin a new term of the contract or to add an amendment to the contract.

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## Plan Benefit Information

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### NEW JERSEY - CODE AND STATUTES (Continued)

#### NJAC 11:10-2.4 Notification of affected parties

(a) An insurer, dental plan organization and dental service corporation shall provide to each employer or other organization to which this subchapter applies a copy of N.J.S.A. 17:48D-9.1 and 9.2 (as appropriate) and this subchapter at the time of offering a dental plan contract as defined in this subchapter.

(b) Every employer and other organization subject to this subchapter, shall offer in writing to its employees or members and their eligible dependents the option of selecting coverage which permits dental services to be obtained from any licensed dentist as an alternative to the coverage provided under a dental plan contract. For new dental plan contracts being provided for the first time, this option shall be offered during the period for enrolling the employees or members in the new plan. For existing dental plan contracts, this option shall be offered during an enrollment period preceding the renewal date of the contract. Employers and other organizations which have offered this option to existing date of the contract. Employers and other organizations which have offered this option to existing employees or members shall also offer this option to new employees or members at the time they are enrolled in a dental plan contract.

(c) Employers and other organizations to which this subchapter applies, shall post in a conspicuous manner, written notice of the coverage option and the text of P.L. 1983, Chapters 142- 145, whichever chapter is applicable.

#### NJAC 11:10-2.5 General rules

(a) Each health insurer, dental service corporation, or dental plan organization shall, at the time a dental plan contract is offered or at the time of renewal, obtain written verification from each employer or other organization of compliance with P.L. 1983, c.142 through 145, and this subchapter.

(b) Each employer or other organization, at the time of offering or renewal of a dental plan contract shall furnish to the health insurer, dental service corporation, or dental plan organization written verification of compliance with P.L. 1983, c.142 through 145 and this subchapter.

(c) Each employer or other organization at the time of offering or renewal of a dental plan contract shall provide in the written notice required by N.J.A.C. 11:10-2.4(b) and (c) an outline of the differences in coverages and cost to the employee or members and their eligible dependents between a dental plan contract and the alternative coverage.

(d) The alternative coverage may be provided through an insurance contract, on a self-funded basis, or by any means which meets the approval of the Commissioner.

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## Plan Benefit Information

(e) Each employer or other organization shall contribute to the alternative coverage an amount equal to the premium or cost which it pays or contributes to the dental plan contract. Such contribution shall be adjusted when the premium or cost which it pays or contributes to the dental plan changes.

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## Plan Benefit Information

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### NEW JERSEY - CODE AND STATUTES (Continued)

#### 11:10-2.6 Separability

If any provision of this subchapter, or its application to any person or circumstances, is held invalid, the remainder of this subchapter and its application to other persons or circumstances shall not be affected.

#### **New Jersey Statutes**

#### 17:48D-9.1 Employer must offer alternative dental coverage

Each employer or other organization which employs or has 25 or more employees or members during the full preceding calendar year and which contributes to a dental plan organization contract which restricts the covered persons in selecting the providers of dental services to a single provider or limited number of providers, shall also offer its employees and their eligible dependents and members and members' eligible dependents at the time a dental benefits plan is offered or renewed the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

#### 17:48D-9.2 Employer contributions

An employer or other organization shall be required to pay for or contribute towards the provision of alternative coverage an amount equal to the premium or cost which it pays or contributes to the dental plan organization contract which limits the number of providers of dental services.

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## Dental Financial Conditions

### Financial Conditions

The objective of the following financial assumptions is to ensure the accuracy and integrity pertaining to the Dental benefits included in this renewal. We reserve the right to re-evaluate the risk if material changes have occurred from the original quote in one or more of the following financial conditions.

Unforeseen events during the renewal process may cause the risk profile of our plans to change. These events may occur during or after the open enrollment period, or during the Renewal Policy Year. We reserve the right to change our rates at any time during the policy year, effective on the date the change occurred, subject to state and federal mandates.

If your policy terminates, you will be billed and responsible for any outstanding amounts from the prior policy periods

If any of the changes outlined below occur, we may recalculate your premium rates:

### Covered Lives, Demographics

- There is a 15 percent change in the total number of subscribers enrolled in each individual Aetna product or in aggregate, including the impact of new or terminating locations and/or groups.
- A change in the demographic and/or geographic mix of the eligible group from that assumed at the time the guarantee is established.

### Participation & Contribution Strategy

Our rates assume compliance with our standard guidelines on employer contribution strategy and employee contributions. Our standard requirement is that the employer contributes 75 percent of the employee cost, or 50 percent of the total employee and dependent cost. Minimum participation requirement for this contribution structure is 75 percent of total eligible lives.

### Rate Cap

We have offered a 1 year rate guarantee in which we agree the rates for the 2020 policy period will increase over the 2019 policy period by no more than 5 percent plus any applicable increase associated with the Annual Health Insurer Provider Fee (see Patient Protection and Affordable Care Act (ACA) – Fees and Assessments below). The rate guarantee is subject to the same terms and conditions as stated under the Rate Cap Guarantee.

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## Dental Financial Conditions

### Plan Design

The renewal is based on the current plan design. Our standard provisions, contract wording and claim settlement practices will apply for items not specifically outlined. Our guidelines allow for a change in plan on the renewal date only, unless initiated by legislative actions. If a material change in the plan is initiated by and approved by us, an adjustment to the rates may apply.

### Changes

We reserve the right to modify our products, services, rates and fees, in response to legislation, regulation or requests of government authorities resulting in changes to plan benefits and to recoup any material fees, costs, assessments, or taxes due to changes in the law even if no benefit or plan changes are mandated.

We also reserve the right to modify this proposal in the event of a material change in:

- The plan of benefits offered, including state mandates
- A change in claim payment requirements or procedures; or
- A change in federal or state premium taxes or assessments

### Open Enrollment Opportunity

We expect equal access to potential and/or existing members when offered on an option basis for purposes of communication, enrollment, benefits fairs, etc. For new groups, plan offerings and/or locations, our quote assumes an active open enrollment will occur.

Please provide us with open enrollment materials including employee contribution rates for all plan options, eligibility definitions for all plans (retiree, part-time employees), and plan designs for all sites where our insured product is offered. Our goal is to give you and your members accurate and reasonable offerings based on the most complete information we have available.

### Inaccurate or Incomplete Information

We use the information you provide us to develop our rates. If any of this information is inaccurate or incomplete and has a material impact on the cost of the programs, we reserve the right to adjust our rates and terms. For example, your rates may change if there is a material deviation from the rate quotation assumptions or if you are unable to provide us with the requested information. As another example, if additional information related to this quotation is made available to us at a later date, we reserve the right to re-assess, and potentially revise, this quotation based upon analysis of that information.

### Additional Financial Information

Listed below are brief descriptions of some of the important features of the dental plans quoted. Statements made in this package are based on facts, as they exist today. Our

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## Dental Financial Conditions

statements are not legal representations or warranties. This renewal is not a substitute for your Group Policy. Our obligation will be limited to the terms of the policy.

- **Renewal** – Our contract provides for automatic renewal upon the completion of each contract period unless either party terminates. This provision may be invoked in accordance with its terms at any time during the continuance of the contract (i.e., is not just limited to termination occurring on the renewal date). Under state insurance regulations, a group health insurance policy may be non-renewed for certain reasons. These may include us no longer offering coverage or a specific product in the market and the plan no longer meeting the contribution or participation requirements.
- **Premium Payments** – If you fail to make your required premium payments as outlined in the provisions of your contract, this will result in policy termination. The amount due is payable on the first day of the monthly coverage period covered by the invoice. If the amount due is not paid in full within 30 days, your contract and plan coverage may terminate. We have the right to assess late premium payment and costs of collection charges if the invoice is not paid in full within 30 days.
- **Funding Arrangement** - Insured dental renewal rates are on a Prospective rated basis.
- **Assumed Dependent Eligibility** - *Dependent coverage to age 26 or for dependents then disabled, older than 26. These ages may vary depending on state legislation mandates. Eligible dependents include an employee's spouse and children up to the limiting age of the plan. Individuals cannot be covered as an employee and dependent under the same plan, nor may both under the same plan cover children eligible for coverage through both parents. Dependents must enroll in same benefit option as the employee.*
- **Plan eligibility** - Our rates assume that permanent full-time employees work a minimum of 25 hours per week on a regularly scheduled basis and that eligible dependents include an employee's spouse and children up to the limiting age of the plan. Our rates assume that temporary employees are not eligible for coverage.
- **Alternate Office Processing (AOP)** – We regularly use both internal and external claim adjudication services to meet service requirements of our business. These services may be located inside or outside of the United States. Our quality standards and controls apply to all claims regardless of where they are processed. Standard pricing assumptions are in effect based on type of product, auto-adjudication, plan design, and customer specific requirements. We may adjust rates based on the above factors and/or where you wish to limit use of Alternative Office Processing (AOP).
- **Enrollment Assumptions** - The quoted rates assume there will be one predetermined annual enrollment period when all eligible employees have a choice of enrolling in any of the available plans. During open enrollment, our representatives will have the

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## Dental Financial Conditions

opportunity to provide plan information to your members. We have assumed that the plan of benefits will be extended to all groups included in our current eligibility files. Our renewal assumes that coverage will not be extended to any additional groups of employees without additional census and rate determination. A summary of assumed enrollment by plan option has been provided in the rate exhibit

- Run-Off Claim Processing - Your rates include the expenses associated with the processing of run-off claims following cancellation.
- Disclosure Statement - We have various programs for compensating agents, brokers and consultants. If you would like information regarding compensation programs for which your agent, broker, or consultant is eligible, payments (if any) which Aetna has made to your agent, broker, or consultant; or other material relationships your agent, broker, or consultant may have with us, you may contact your agent, broker, or consultant; or your account representative. Information regarding our programs for compensating agents, brokers, or consultants is also available at [www.aetna.com](http://www.aetna.com).
- Additional Products and Services - Costs for special services rendered, which are not included or assumed in the pricing guarantee will be direct billed. For example, American Electric Power Service Corporation would be subject to additional charges for customized communication materials, as well as costs associated with custom reporting, programming, etc. The costs for these types of services would depend upon the actual services performed and would be determined at the time the service is requested

### Conformity with Law

We believe this renewal conforms to all applicable local, state and federal laws.

### Affordable Care Act Fees and Assessments

The Affordable Care Act (ACA) imposes several new fees/assessments, including the **Health Insurance Providers Fee (the "Fee")**. The Fee became effective on January 1, 2014. The Fee has been suspended for 2019, but is reinstated for 2020. This recurring annual industry fee is assessed based on each insurer's share of the fully insured market. The total assessment increases each year, to \$14.3 billion in 2018 and will then increase at the rate of premium growth thereafter. This rate quote includes, where permitted, and as applicable, an estimated proportionate allocation of expenses associated with the Fee. Aetna reserves the right to modify these rates, or otherwise recoup such Fee based on subsequent state regulatory approval, future regulatory guidance or if estimates are materially insufficient.

### Conclusion

Our offering assumes it will be accepted in its entirety. We also assume the current coverage, products and services you have will continue to be offered. Should there be a material change in these regards, we reserve the right to review and re-price this renewal.

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## **Dental Financial Conditions**

Prior to accepting the rates in this renewal, you shall notify us of any material deviation, current or expected, from these assumptions.

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## Compensation

### Compensation

We honor "Agent of Record" or "Broker of Record" letters when an agent, broker, or consultant takes over an Aetna case from another agent, broker, or consultant. Please have an appropriate representative from your organization sign the letter using your organization's letterhead. The change will become effective on the first day of the month after your payment unit receives the "Agent of Record" or "Broker of Record" letter, unless another future date is designated in the letter.

We have various programs for compensating agents, brokers and consultants. If you would like information regarding compensation programs for which your agent, broker, or consultant is eligible, payments (if any) which Aetna has made to your agent, broker, or consultant, or other material relationships your agent, broker, or consultant may have with Aetna, you may contact your agent, broker or consultant, or Angela Morris in our Aetna Field Office. Information regarding our programs for compensating agents, brokers and consultants is also available at [www.aetna.com](http://www.aetna.com).

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## Included Programs/Services

### Included Programs and Services

Your plan includes the following services and programs

#### General Administration

- Account Management
- Customer Team Services
- Communication Materials
- Aetna Claim Fiduciary
- External Review
- Eligibility

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#### Claim and Member Services

- Claim Administration
- Member Services
- Aetna Voice Advantage\*
- Enhanced Customer Servicing Framework

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#### Network Information

- Network Management
- Provider Relations

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#### Aetna Discount Program\*

- at home products
- books
- fitness
- hearing
- natural products and services
- oral health care
- vision
- weight management

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#### Web Tools

- DocFind\* (online provider directory)
- Aetna Navigator\* (member self service)
- Claim Research/Forms/Contact Us (English and Spanish Version)
- Estimate Cost of Care Tool

\*The Aetna Discount Programs are part of your health benefits and insurance plan. Please log into Aetna Navigator® to see a list of the discounts that are available to use.

Programs and services may not be available in all service areas or under all benefit plans.



### Certificate Of Completion

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Subject: Please DocuSign: Aetna Dental - 2019 Renewals  
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Document Pages: 34  
Certificate Pages: 3  
AutoNav: Enabled  
EnvelopeId Stamping: Enabled  
Time Zone: (UTC-05:00) Eastern Time (US & Canada)

Signatures: 1  
Initials: 5

Status: Completed

Envelope Originator:  
Carol E Walden  
1 Riverside Plz FL 1  
Columbus, OH 43215-2373  
cewalden@aep.com  
IP Address: 167.239.221.87

### Record Tracking

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cewalden@aep.com

Location: DocuSign

### Signer Events

Karen L Jenkins  
kljenkins@aep.com  
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Marty Rosenthal  
msrosenthal@aep.com  
Security Level: Email, Account Authentication  
(None)

Signature Adoption: Pre-selected Style  
Using IP Address: 167.239.221.88

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Andrea Kirsh  
amkirsh@aep.com  
Senior Counsel  
Security Level: Email, Account Authentication  
(None)

Signature Adoption: Pre-selected Style  
Using IP Address: 167.239.221.84

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Manuel Alvarez  
maalvarez@aep.com  
Director, Corporate Procurement  
Security Level: Email, Account Authentication  
(None)

Signature Adoption: Pre-selected Style  
Using IP Address: 167.239.221.80

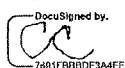
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### Signer Events

Curt Cooper  
cdcooper@aep.com  
Director-Employee Benefits  
Security Level: Email, Account Authentication  
(None)

### Signature



Signature Adoption: Drawn on Device  
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### In Person Signer Events

### Signature

### Timestamp

### Editor Delivery Events

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### Agent Delivery Events

### Status

### Timestamp

### Intermediary Delivery Events

### Status

### Timestamp

### Certified Delivery Events

### Status

### Timestamp

### Carbon Copy Events

### Status

### Timestamp

Angie Morris  
morrisA1@aetna.com  
Security Level: Email, Account Authentication  
(None)  
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Karen L Jenkins  
kjenkins@aep.com  
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(None)  
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ID: c8dce7df-2c85-4822-9e6e-6b3dc06490e7

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### Notary Events

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### Envelope Summary Events

### Status

### Timestamps

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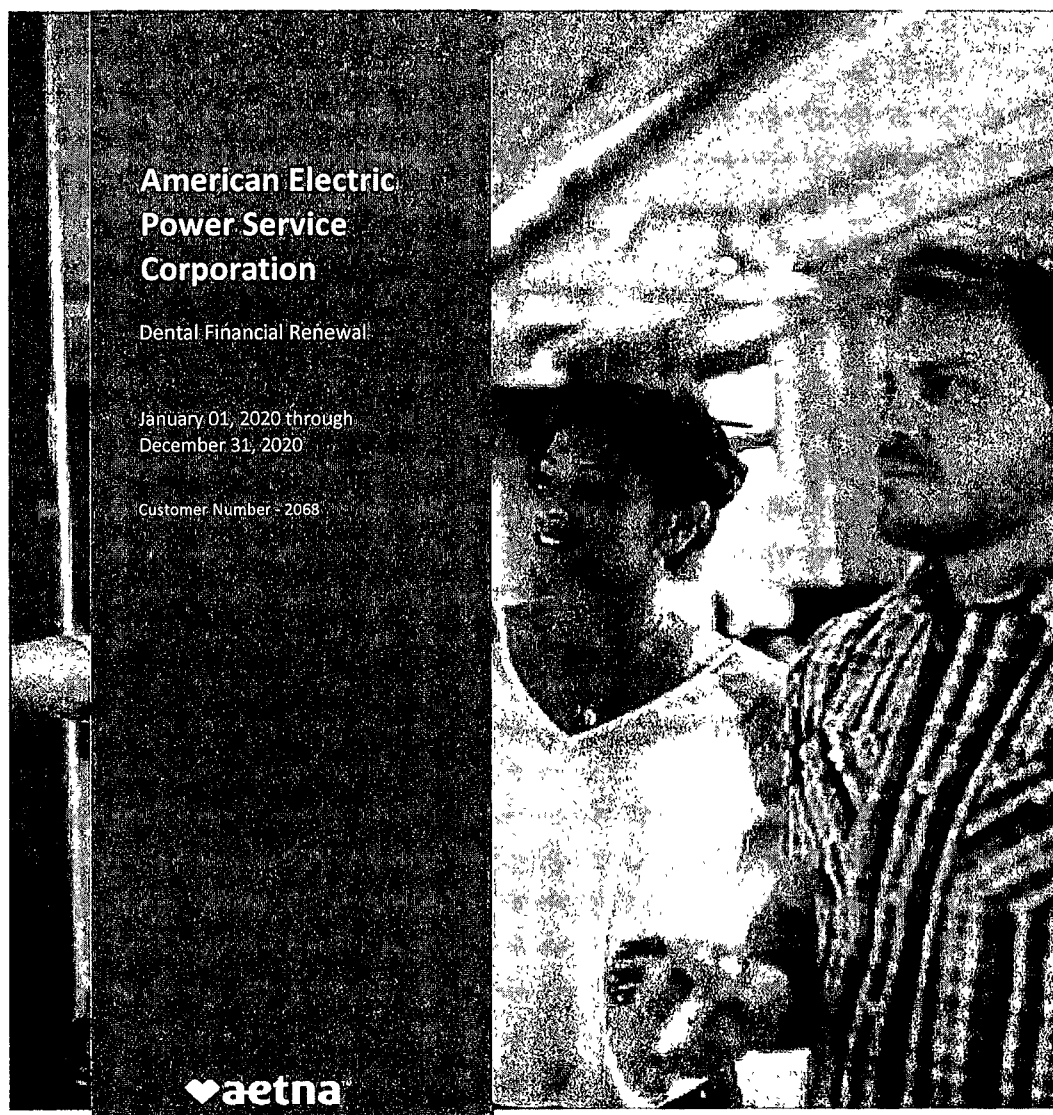
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### Payment Events

### Status

### Timestamps

### Electronic Record and Signature Disclosure



Proprietary



June 17, 2019

Curt Cooper  
American Electric Power Service Corporation  
1 Riverside Plaza, P.O. Box 16331  
Columbus, OH 43216

Dear Curt Cooper:

Thank you for allowing us to serve your health insurance and health benefit needs during the past year. This collaboration has produced impactful results and savings. As a health company that appreciates your unique needs and resources, we curate experiences that are meaningful, inspiring and deliver results. This helps us amplify your ability to realize your full business potential. Enclosed is your Aetna dental renewal for the January 01, 2020 through December 31, 2020 contract year.

We go local to join your employees on their health care journeys. We help them achieve their goals and live their best lives. Because when your workforce is healthy, your company is healthy, too. Your costs decrease and your employees are more productive, driving greater success for your organization.

For additional details about your programs and services, please contact your Account Executive.

**The Self-Insured renewal includes the following:**

- Fee Schedule
- Renewal Assumptions
- Program and Services
- Plan Benefit Information
- Projected Claim Costs

**The Fully-Insured renewal includes the following:**

- Rates
- Renewal Assumptions including Commissions
- Included Program & Services
- Plan Benefit Information

**Summary of changes**

- Your rates are changing by 2.6 percent.

Please notify your Account Executive with your acceptance of these terms by October 01, 2019. If we don't hear from you by this date, we'll assume the information in this renewal package is acceptable.

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**These terms remain in effect through December 31, 2020.**

If there are no changes impacting this renewal as outlined in your Renewal Assumptions, the rates and fees will remain in effect through December 31, 2020. You can contact your Account Executive, Angela Morris if you have any questions or need any additional information at 614-787-0968 or MorrisA1@aetna.com.


This renewal package is considered an amendment to your original agreement. Continuance of your benefit plan and payment of fees constitutes an agreement to this renewal.

We're equally committed to helping your people get healthy and making health care easy for you. By aligning member health with your business ambitions we can build a personalized plan that promotes a healthy culture and boosts your bottom line.

Sincerely,



Ray Kunstmanas  
Underwriting Director



Mary Kelly Chester  
UW Tech Lead

\_\_\_\_\_  
Signature of Authorized American Electric Power

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Aetna is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies. The Aetna companies that offer, underwrite or administer benefit coverage include: Aetna Health Inc., Aetna Health of California Inc., Aetna Dental Inc., Aetna Dental of California Inc., Aetna Health Insurance Company, Health Insurance Company of New York, Aetna Life Insurance Company (Aetna). In Maryland, by Aetna Health Inc., 151 Farmington Avenue, Hartford, CT 06156.

Each insurer has sole financial responsibility for its own products.

Health benefits and health insurance plans contain limitations and exclusions.

Policy form numbers include GR-9/GR-9N, GR-23, GR-29/GR-29N, GR-700-W, and/or GR-88435.

Proprietary

## Fee Schedule

American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

The fees for the Guarantee Period January 01, 2020 through December 31, 2020 are outlined below. The Fees are for services performed under the Administrative Services Only arrangement (through a 'Services Agreement' or 'Master Services Agreement', as the case may be, and will be referred to as the "Agreement"). These fees replace the fees described in the Agreement for the Guarantee Period January 01, 2019 through December 31, 2019.

Monthly Per-Employee, Per-Month (PEPM) Fees		PPO Dental
January 01, 2019	Guaranteed Billing Fee PEPM <sup>1</sup>	\$1.27
January 01, 2020	Guaranteed Billing Fee PEPM <sup>1</sup>	\$1.27
Percent Change		0.00%
Quarterly Data Feed Intake for DMI Reporting		Included in the fee above
Claim Fiduciary		Aetna is Claim Fiduciary - Level 1
Claim Wire Billing Fees		
Aetna PPO II Network		Included - 40% of Savings
Dental Out of Network Savings Program		Not Included
Pass Through Charges		
Producer Compensation		\$0.00

<sup>1</sup> Employee includes only those active employees, retirees, COBRA continuees and disabled employees that are covered under your Aetna dental plan.

### Guarantee Period

The guarantee periods are defined as follows.

- January 01, 2018 through December 31, 2018 is the First Guarantee Period
- January 01, 2019 through December 31, 2019 is the Second Guarantee Period
- January 01, 2020 through December 31, 2020 is the Third Guarantee Period
- January 01, 2021 through December 31, 2021 is the Fourth Guarantee Period

### Guaranteed Fees

The fees (hereinafter "Guaranteed Fees") for the self-funded coverages for the period January 01, 2020 through December 31, 2020 are guaranteed according to the PEPM fees provided above.

We guarantee that the fees for the Fourth Guarantee Period will increase over the fees for the Third Guarantee Period by 2 percent.

## Fee Schedule

American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

### Billing of Fees

We will bill and collect your monthly dental fees as outlined above. We will reconcile the collected fees at the end of the Agreement Period (as defined in the Agreement). surplus due American Electric Power Service Corporation, or any shortfall due Aetna, will be payable within the timeframe specified in the Agreement

### Alternate Office Processing (AOP)

We regularly use both internal and external claim adjudication services to meet service requirements of our business. These services may be located inside or outside of the United States. Aetna quality standards and controls apply to all claims regardless of where they are processed. Standard pricing assumptions are in effect based on type of product, auto-adjudication, plan design and customer specific requirements. We may adjust service fees based on the above factors and/or where plan sponsors wish to limit use of Alternative Office Processing (AOP).

### Runoff Processing Charges

Your original pricing didn't include fees for processing runoff claims. The determination of the run-off fee, which will be billed upon agreement termination, is as follows:

Average PEPM fee over the last 3 months prior to termination \* the average number of employees over the last 3 months \* 1

Based on the latest three month average enrollment of the policy year, we are estimating a runoff processing charge of \$35,082, based on the formulas above, subject to change

If you choose to convert to a contract that includes the cost of processing runoff, please contact your Account Executive.

### Dental PPO II

Aetna Dental's® PPO II network offers over 41,566 more available dental PPO practice locations. In combination with our standard dental PPO network, there are 362,707 available dental practice locations. With the inclusion of PPO II, you and your employees may save on dental costs through access to more dentists providing services at contracted rates

Statistics provided by Aetna Enterprise Database

### Producer Compensation

We honor "Agent of Record" or "Broker of Record" letters when an agent, broker or consultant sells new business or takes over an Aetna case from another agent, broker or consultant. Please have an appropriate representative from your organization sign such a letter using your organization's letterhead. The change will become effective on the first day of the month following the date the payment unit receives the "Agent of Record" or "Broker of Record" letter, unless another future date is designated in the letter.

We have various programs for compensating agents, brokers and consultants. If you would like information about

June 2019  
Proprietary



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## Fee Schedule

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American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

- Compensation programs for which your agent, broker, or consultant may be eligible
- Payments (if any) which Aetna has made to your agent, broker, or consultant
- Other material relationships your agent, broker, or consultant may have with Aetna

You may contact your agent, broker or consultant, or in our Aetna field office. Information about our programs for compensating agents, brokers and consultants is also available at [www.aetna.com](http://www.aetna.com).

### Late Payment Charges

We'll assess a late payment charge at a 12 percent interest rate if you fail to pay plan benefit payments or administrative service fees on a timely basis as outlined in the Agreement.

## Renewal Assumptions

American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

Services	PPO Dental
Enrolled Employees	27,624
Projected Processed Claim Transactions (PCTs) per Employee	4.82
Member to Employee Ratio	2.19

### Caveats

Your pricing considers all of the multiple products, programs and services you have with us and will be in effect for all 12 months of the plan year. Pricing for some programs and services are amortized over a 12-month period. Therefore fees will not be reduced if termination occurs prior to the end of the plan year. We also assume the renewal assumptions above remain consistent throughout the plan year. We require notice to properly terminate before the plan year ends in accordance with the Termination provision in your Agreement. Otherwise, you may be charged for the cost until that notification is met.

If any of the changes outlined below occur, we may adjust your Guaranteed Fees. If this happens, you'll have to pay any difference between the fees collected and the new fees calculated back to the start of the Guarantee Period. If fees are adjusted, the caveats below will be based on the new assumptions.

During the Guarantee Period we may adjust your Guaranteed Fees if:

1. For any product identified in the table above, there is a change of 15 percent or more to any of outlined assumptions
2. A change is made that materially affects the cost of the plan including, but not limited to, plan administration, changes to the programs and services we offer you, or any legislative or regulatory action that results in changes to plan benefits.
3. A material change in the plan of benefits is initiated by you or by legislative or regulatory action.
4. *If you terminate the Fully-Insured dental product.*
5. If you place the products and services included renewal out to bid with an effective date prior to (end of multi-year guarantee period), then this guarantee will be nullified
6. You terminate the Agreement and we incur charges for maintaining plan structure to report and/or process runoff claims.

If any of the conditions outlined above occur, then any performance guarantees may be changed or terminated based on the caveats outlined in those guarantee documents.

### Changes

We reserve the right to modify our products, services, rates and fees, in response to legislation, regulation or requests of government authorities resulting in changes to plan benefits and to recoup any material fees, costs, assessments, or taxes due to changes in the law even if no benefit or plan changes are mandated

## Programs & Services

American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

Below is a list of programs and services that are included or available to you.

**Included** Indicates those programs and services included in your plan  
**Not Included** Indicates those programs and services you can purchase for an additional cost  
**N/A** Indicates those programs and services that are "not available" for that product

	Dental PPO
<b>General Administration</b>	
Experienced Account Management Team	Included
Designated billing, eligibility, plan set up, underwriting and drafting services	Included
Review or draft plan documents	Included
Claim Fiduciary	Included
<b>Banking Information</b>	
Banking Method	Customer Pushed Fed
Funding Basis	Cleared
Claims Funding Request	Standard \$20,000
Seed Money / Payment Fund	Not Included
<b>Member &amp; Claim Services</b>	
Claim Administration	Included
Member Services	Included
Aetna Voice Advantage*	Included
Designated National Accounts Service Center	Included
Plan Sponsor Liaison	Included
Special Investigations / Zero Tolerance Fraud Unit	Included
Enhanced Customer Servicing Framework	Not Included
<b>Network Administration</b>	
Network Access	Included
Aetna Dental* PPO II Network	Included
Dental Out Of Network Savings Program	Not Included
Dental Medical Integration (DMI)	Included
<b>Web Tools</b>	
Member website and Mobile Experience	Included
Digital Member Tools*	Included
Cost Estimator	Included
Claim Research/Forms/Contact us (English & Spanish Version)	Included
Health Decision Support - Basic	Included
MindCheck™	Included
Customer provider search	Included
<b>Aetna Discount Programs**</b>	
at home products	Included
books	Included
fitness	Included
hearing	Included
LifeMart® shopping website	Included
natural products and services	Included
oral health care	Included
vision	Included
weight management	Included

## Programs & Services

American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

Below is a list of programs and services that are included or available to you.

Included Indicates those programs and services included in your plan  
Not Included Indicates those programs and services you can purchase for an additional cost  
N/A Indicates those programs and services that are "not available" for that product

	Dental PRO
<b>Reporting</b>	
Aetna Health Information Advantage™	Included
Standard Quarterly Utilization Reports	Included
Monthly Financial Claim Detail Reports	Included
Banking Reports	Included
Plan Sponsor Insights	5 hours per Calendar year

\* We've improved our member website and added tools and content that empower Aetna Dental® members to take control of their oral health and maximize their benefits. Using the new tools, members are able to

- Find and compare dentists based on quality and price
- Read patient reviews and get detailed professional history for providers
- Evaluate out-of-pocket costs for common services
- Track remaining balances, view claims and get treatment reminders
- Schedule appointments online

These enhanced tools help members

- Reduce out-of-pocket costs by providing increased price transparency and education about the value of staying in-network
- Find the best in-network providers for them with better search capabilities, provider profiles, ratings and reviews
- Better manage their family's oral health through easy-to-navigate benefits dashboards

\*\* The Aetna Discount Program is part of your health benefits plan. Our discount program helps members save money on a wide variety of products and services for themselves and their family. Please log into the member website to see a list of the discounts that are available to use.

American Electric Power

Claim Projection

January 1, 2020 through December 31, 2020

Policy Holder Number: 2068

Summary of PPO Dental Experience

Month	Employees	Members	Paid Claims	Adjusted Claims *	PCTs
May-18	27,477	60,292	\$1,802,188	\$1,802,188	11,482
Jun-18	27,489	60,292	\$1,742,939	\$1,742,939	11,059
Jul-18	27,517	60,374	\$1,656,214	\$1,656,214	10,801
Aug-18	27,524	60,347	\$1,851,330	\$1,851,330	11,965
Sep-18	27,519	60,295	\$1,395,564	\$1,395,564	9,086
Oct-18	27,515	60,302	\$1,635,303	\$1,635,303	10,891
Nov-18	27,525	60,296	\$1,625,236	\$1,625,236	10,447
Dec-18	27,511	60,207	\$1,589,836	\$1,589,836	10,717
Jan-19	27,724	60,737	\$1,702,275	\$1,702,275	11,094
Feb-19	27,669	60,648	\$1,573,111	\$1,573,111	10,012
Mar-19	27,675	60,616	\$1,789,711	\$1,789,711	11,083
Apr-19	27,609	60,416	\$1,791,128	\$1,791,128	11,178
May-19	27,624	60,441	\$1,867,597	\$1,867,597	12,063
Avg & Totals	27,563	60,402	\$20,220,244	\$20,220,244	130,396

\* There is no benefit adjustment affecting the claims for this experience period.

1 Total Paid Claims PEPM & PCT's Per Employee	\$61.13	4.73
2 Trend		
a. Annual Trend Factor	4.50%	1.00%
b. # of Months of Trend	19.0	19.0
c. Projection Factor	1.070	1.020
3 Projected Claims PEPM & PCT'S Per Employee (1 x 2c)	\$65.41	4.82
4 Total Annual Projected Claims & PCT's	\$21,682,630	1,597,772
5 Member to Employee Ratio	2.19	
6 Projected Employees	27,624	

PEPM = Per-Employee, Per-Month

American Electric Power

Dental Renewal Rates Effective January 01, 2020

Customer Number: 2068

- Please refer to the Financial Assumptions for terms and conditions of this renewal
- Please refer to the Financial Assumptions regarding an explanation of the Health Insurer Fee PEPM

DMO				
Coverage Categories	Current/Assumed Employees	Current Rates	Renewal Rates	% Change
Emp Only	304	\$21.53	<b>\$22.09</b>	2.6%
Emp + Spouse	143	\$43.07	<b>\$44.19</b>	2.6%
Emp + Child(ren)	77	\$48.44	<b>\$49.70</b>	2.6%
Emp + Family	154	\$69.98	<b>\$71.80</b>	2.6%
Monthly Total	678	\$27,210.93	<b>\$27,918.21</b>	2.6%

Monthly Totals	678	\$27,210.93	<b>\$27,918.21</b>	2.6%
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"Aetna" is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies. PPO/PDN is underwritten by Aetna Life Insurance Company. DMO is underwritten by Aetna Life Insurance Company, except as follows: Arizona, Georgia: Aetna Health Inc. California: Aetna Dental of California Inc. Maryland, Missouri, North Carolina, Texas: Aetna Dental Inc. New Jersey: Aetna Dental Inc. and Aetna Life Insurance Company.

## Renewal Assumptions

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American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

The objective of the following financial assumptions is to ensure the accuracy and integrity pertaining to the Dental benefits included in this renewal. We reserve the right to evaluate the risk if material changes have occurred from the original quote in one or more of the following financial conditions.

Unforeseen events during the renewal process may cause the risk profile of our plans to change. These events may occur during or after the open enrollment period, or Renewal Policy Year. We reserve the right to change our rates at any time during the policy year, effective on the date the change occurred, subject to state and federal mandates.

If your policy terminates, you will be billed and responsible for any outstanding amounts from the prior policy periods.

If any of the changes outlined below occur, we may recalculate your premium rates:

### Covered Lives and Demographics

- There is a 15 percent change in the total number of subscribers enrolled in each individual Aetna product or in aggregate, including the impact of new or terminating locations and/or groups.
- A change in the demographic and/or geographic mix of the eligible group from that assumed at the time the guarantee is established.

### Participation & Contribution Strategy

Our rates assume that will contribute percent towards the cost of employee coverage and at least percentage towards the cost of dependent coverage regardless of plan selected. Minimum participation requirement for this contribution structure is 75 percent of total eligible lives

### Rate Cap

We have offered a 1 year rate guarantee in which we agree the rates for the 2021 policy period will increase over the 2020 policy period by no more than 4 percent.

All rate caps are subject to any applicable increase associated with the Annual Health Insurer Fee Provider Fee (see Patient Protection and Affordable Care Act (ACA) - Fees and Assessments below).

### Plan Design

The renewal is based on the current plan design. Our standard provisions, contract wording and claim guidelines settlement practices will apply for items not specifically outlined. Our allow for a change in plan on the renewal date only, unless initiated by legislative actions. If a material change in the plan is initiated by and approved by us, an adjustment to the rates may apply

### Changes

We reserve the right to modify our products, services, rates and fees, in response to legislation, regulation or requests of government authorities resulting in changes to plan benefits and to recoup any material fees, costs, assessments, or taxes due to changes in the law even if no benefit or plan changes are mandated

We also reserve the right to modify this proposal in the event of a material change in:

- The plan of benefits offered, including state mandates
- A change in claim payment requirements or procedures; or
- A change in federal or state premium taxes or assessments

## Renewal Assumptions

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American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

### Open Enrollment Opportunity

We expect equal access to potential and/or existing members when offered on an option basis for purposes of communication, enrollment, benefits fairs, etc. For new offerings and/or locations, our quote assumes an active open enrollment will occur.

Please provide us with open enrollment materials including employee contribution rates for all plan options, eligibility definitions for all plans (retiree, part-time designs for all sites where our insured product is offered). Our goal is to give you and your members accurate and reasonable offerings based on the most complete information we have available.

### Inaccurate or Incomplete Information

We use the information you provide us to develop our rates. If any of this information is inaccurate or incomplete and has a material impact on the cost of the programs, we reserve the right to adjust our rates and terms. For example, your rates may change if there is a material deviation from the rate quotation assumptions or if you are unable to provide us with the requested information. As another example, if additional information related to this quotation is made available to us at a later date, we reserve the right to re-assess, and potentially revise, this quotation based upon analysis of that information.

### Additional Financial Information

Listed below are brief descriptions of some of the important features of the dental plans quoted. Statements made in this package are based on facts, as they exist today. Our statements are not legal representations or warranties. This renewal is not a substitute for your Group Policy. Our obligation will be limited to the terms of the policy.

- **Renewal** – Our contract provides for automatic renewal upon the completion of each contract period unless either party terminates. This provision may be invoked in accordance with its terms at any time during the continuance of the contract (i.e., is not just limited to termination occurring on the renewal date). Under state insurance regulations, a group health insurance policy may be non-renewed for certain reasons. These may include us no longer offering coverage or a specific product in the market and the plan no longer meeting the contribution or participation requirements.
- **Premium Payments** – If you fail to make your required premium payments as outlined in the provisions of your contract, this will result in policy termination. The amount due is payable on the first day of the monthly coverage period covered by the invoice. If the amount due is not paid in full within 30 days, your contract and plan coverage may terminate. We have the right to assess late premium payment and costs of collection charges if the invoice is not paid in full within 30 days.
- **Funding Arrangement** - Insured dental renewal rates are on a rated basis.
- **Assumed Dependent Eligibility** - Dependent coverage to age 26 or 26½ if student or disabled. These ages may vary depending on state legislation mandates. Eligible dependents include an employee's spouse and children up to the limiting age of the plan. Individuals cannot be covered as an employee and dependent under the same plan, nor may both under the same plan cover children eligible for coverage through both parents. Dependents must enroll in same benefit option as the employee.
- **Plan eligibility** - Our rates assume that permanent full-time employees work a minimum of 25 hours per week on a regularly scheduled basis and that eligible dependents include an employee's spouse and children up to the limiting age of the plan. Our rates assume that temporary employees are not eligible for coverage.
- **Alternate Office Processing (AOP)** – We regularly use both internal and external claim adjudication services to meet service requirements of our business. These services may be located inside or outside of the United States. Our quality standards and controls apply to all claims regardless of where they are processed. Standard pricing assumptions are in effect based on type of product, auto-adjudication, plan design, and customer specific requirements. We may adjust rates based on the above factors and/or where you wish to limit use of Alternative Office Processing (AOP).
- **Enrollment Assumptions** - The quoted rates assume there will be one predetermined annual enrollment.

## Renewal Assumptions

American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

period when all eligible employees have a choice of enrolling in any of the available plans. During open enrollment our representatives will have the opportunity to provide plan information to your members. We have assumed that the plan of benefits will be extended to all groups included in our current eligibility files. Our renewal assumes that coverage will not be extended to any additional groups of employees without additional census and rate determination. A summary of assumed enrollment by plan option has been provided in the rate exhibit.

- Run-Off Claim Processing - Your rates include the expenses associated with the processing of run-off claims following cancellation.
- Disclosure Statement - We have various programs for compensating agents, brokers and consultants. If you would like information regarding compensation programs for which your agent, broker, or consultant is eligible, payments (if any) which Aetna has made to your agent, broker, or consultant; or other material relationships your agent, broker, or consultant may have with us, you may contact your agent, broker, or consultant; or your account representative. Information regarding our programs for compensating agents, brokers, or consultants is also available at [www.aetna.com](http://www.aetna.com).
- Additional Products and Services - Costs for special services rendered, which are not included or assumed in the pricing guarantee will be direct billed. For example, would be subject to additional charges for customized communication materials, as well as costs associated with custom reporting, programming, etc. The costs for these types of services would depend upon the actual services performed and would be determined at the time the service is requested.

### Compensation

We honor "Agent of Record" or "Broker of Record" letters when an agent, broker, or consultant takes over an Aetna case from another agent, broker, or consultant. Please have an appropriate representative from your organization sign the letter using your organization's letterhead. The change will become effective on the first day of the month after your payment unit receives the "Agent of Record" or "Broker of Record" letter, unless another future date is designated in the letter.

We have various programs for compensating agents, brokers and consultants. If you would like information regarding compensation programs for which your agent, broker, or consultant is eligible, payments (if any) which Aetna has made to your agent, broker, or consultant, or other material relationships your agent, broker, or consultant may have with Aetna, you may contact your agent, broker or consultant, or Angela Morris in our Aetna Field Office. Information regarding our programs for compensating agents, brokers and consultants is also available at [www.aetna.com](http://www.aetna.com).

### Virginia DMO

In Virginia, the DMO® Plan is known as the DNO Plan. DNO (Dental Network Only) in Virginia is not an HMO.

### Conformity with Law

We believe this renewal conforms to all applicable local, state and federal laws.

### Affordable Care Act Fees and Assessments

The Affordable Care Act (ACA) imposes several new fees/assessments, including the Health Insurance Providers Fee (the "Fee"). The Fee became effective on January 1, 2014. The Fee has been suspended for 2019, but is reinstated for 2020. This recurring annual industry fee is assessed based on each insurer's share of the fully insured market. The total assessment increases each year, to \$14.3 billion in 2018 and will then increase at the rate of premium growth thereafter. This rate quote includes, where permitted, and as applicable, an estimated proportionate allocation of expenses associated with the Fee. Aetna reserves the right to modify these rates, or otherwise recoup such Fee based on subsequent state regulatory approval, future regulatory guidance or if estimates are materially insufficient.

### Conclusion

Our offering assumes it will be accepted in its entirety. We also assume the current coverage, products and

## Renewal Assumptions

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American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

services you have will continue to be offered. Should there be a material change in these regards, we reserve the right to review and re-price this renewal. Prior to accepting the rates in this renewal, you shall notify us of any material deviation, current or expected, from these assumptions.

## Programs & Services

American Electric Power Service Corporation  
January 01, 2020 through December 31, 2020

Aetna Life Insurance Company  
Customer Number - 2068

Your plan includes the following services and programs

### General Administration

- Experienced Account Management
- Customer Team Services
- Communication Materials
- Aetna Claim Fiduciary
- External Review
- Eligibility

### Claim and Member Services

- Claim Administration
- Member Services
- Aetna Voice Advantage<sup>®</sup>
- Enhanced Customer Servicing Framework

### Network Information

- Network Management
- Dental PPO II
- Provider Relations

### Aetna Discount Program\*

- at home products
- books
- fitness
- hearing
- natural products and services
- oral health care
- vision
- weight management

### Web tools

- Customer Provider search (online provider directory)
- Member website and mobile experience
- Health Decision Support
- Claim Research/Forms/Contact Us (English and Spanish Version)
- Cost Estimator

\*The Aetna Discount Programs are part of your health benefits and insurance plan. Please log into Aetna member website to see a list of the discounts that are available to use.

Programs and services may not be available in all service areas or under all benefit plans.

**Aetna**  
**DMO® - Dental Maintenance Organization**  
**New Jersey Special Instructions**

**Important requirement when implementing DMO with NJ employees.**

- 1) **Must deliver copy of NJ laws and return completed Compliance Form**
- 2) **A signed Master Application is required.**

**NJ State Laws and Compliance Form:**

DMO coverage in NJ is only available when the employees also have choice of an alternate plan. As a result, the DMO can only be sold to NJ members as part of a Freedom of Choice, Dual Option or Dual Choice sale. To ensure Plan Sponsors are in compliance, NJ requires the attached state laws to be delivered to all plan sponsors electing DMO coverage. Aetna is also required to obtain and keep on file notice of receipt and compliance of the laws by the plan sponsor. Attached you will find the laws to be delivered to the plan sponsor and the Compliance Form which must be signed by the plan sponsor and returned with the Master Applications.

**Master Application:**

Only one Master Application is required to implement a DMO plan offered to NJ employees.

**AETNA DENTAL INC.**  
**NEW JERSEY - DENTAL PLAN ORGANIZATION LAWS**  
**NOTICE OF RECEIPT AND COMPLIANCE**

New Jersey law requires that certain plan sponsors contributing to dental plan organization (DMO) coverage also offer to covered persons the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

State law also requires that Aetna Dental Inc provide affected plan sponsors with copies of the applicable statutes/regulations and that those plan sponsors furnish to us written verification of their compliance with the law.

Per your signature below, you certify your organization's receipt of and compliance with New Jersey Statutes 17 48D-9 1 and 9 2 and New Jersey Administrative Code 11 10-2 1 through 2 6 requiring selection of alternate coverage

Plan Sponsor \_\_\_\_\_  
Signature \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

Attachments NJAC 11 10-2 1  
NJAC 11:10-2 2  
NJAC 11.10-2 3  
NJAC 11.10-2 4  
NJAC 11 10-2 5  
NJAC 11 10-2 6  
NJSA 17.48D-9 1  
NJSA 17 48D-9.2

**AETNA DENTAL INC.  
NEW JERSEY - CODE AND STATUTES**

**New Jersey Administrative Code**

11:10-2.1 Purpose

P.L. 1983, Chapters 142 through 145, require that each employer or other organization subject thereto offer its employees or members the option of selecting alternate coverage which permits covered persons to obtain dental services from any dentist of their choice whenever the employer is contributing to a dental plan contract (as described in N.J.A.C. 11:10-2.2(a)). These statutes also direct the Commissioner to promulgate rules and regulations to effectuate their purposes. This subchapter is being promulgated to meet this statutory mandate and to implement the notification requirements of the statutes.

11:10-2.2 Scope and application

(a) This subchapter applies to each employer or other organization which:

1. Employs or has 25 or more employees or members during the full preceding calendar year, and
2. Contributes to a dental plan contract

(b) Insurers, dental plan organizations, and dental service corporations which are authorized to enter into contracts providing dental coverage are also subject to this subchapter.

11:10-2.3 Definitions

The following words and terms, when used in this subchapter, have the following meanings unless the context clearly indicates otherwise:

"Alternative coverage" means a plan that permits covered persons to obtain dental services from any licensed dentist.

"Dental plan contract" means any contract issued by a health insurer, dental plan organization, or dental service corporation which restricts covered persons in selecting the providers of dental services to a single provider or a limited number of providers.

"Enrollment period" means a period of time, of not less than one month's duration, prior to the renewal of a dental plan contract during which employees or members are afforded the option to be covered under the dental plan contract or alternative coverage.

"Other organization" means a group of 25 or more members to which a dental plan contract has been or is to be issued including, but not limited to, labor unions and associations.

"Renewal" means to begin a new term of the contract or to add an amendment to the contract.

NEW JERSEY - CODE AND STATUTES (Continued)

NJAC 11 10-2.4 Notification of affected parties

(a) An insurer, dental plan organization and dental service corporation shall provide to each employer or other organization to which this subchapter applies a copy of N.J.S.A. 17:48D-9.1 and 9.2 (as appropriate) and this subchapter at the time of offering a dental plan contract as defined in this subchapter.

(b) Every employer and other organization subject to this subchapter, shall offer in writing to its employees or members and their eligible dependents the option of selecting coverage which permits dental services to be obtained from any licensed dentist as an alternative to the coverage provided under a dental plan contract. For new dental plan contracts being provided for the first time, this option shall be offered during the period for enrolling the employees or members in the new plan. For existing dental plan contracts, this option shall be offered during an enrollment period preceding the renewal date of the contract. Employers and other organizations which have offered this option to existing employees or members shall also offer this option to new employees or members at the time they are enrolled in a dental plan contract.

(c) Employers and other organizations to which this subchapter applies, shall post in a conspicuous manner, written notice of the coverage option and the text of P.L. 1983, Chapters 142-145, whichever chapter is applicable.

NJAC 11 10-2.5 General rules

(a) Each health insurer, dental service corporation, or dental plan organization shall, at the time a dental plan contract is offered or at the time of renewal, obtain written verification from each employer or other organization of compliance with P.L. 1983, c. 142 through 145, and this subchapter.

(b) Each employer or other organization, at the time of offering or renewal of a dental plan contract shall furnish to the health insurer, dental service corporation, or dental plan organization written verification of compliance with P.L. 1983, c. 142 through 145 and this subchapter.

(c) Each employer or other organization at the time of offering or renewal of a dental plan contract shall provide in the written notice required by N.J.A.C. 11 10-2.4(b) and

(c) an outline of the differences in coverages and cost to the employee or members and their eligible dependents between a dental plan contract and the alternative coverage.

(d) The alternative coverage may be provided through an insurance contract, on a self-funded basis, or by any means which meets the approval of the Commissioner.

(e) Each employer or other organization shall contribute to the alternative coverage an amount equal to the premium or cost which it pays or contributes to the dental plan contract. Such contribution shall be adjusted when the premium or cost which it pays or contributes to the dental plan changes.

**NEW JERSEY - CODE AND STATUTES (Continued)**

11:10-2.6 Separability

If any provision of this subchapter, or its application to any person or circumstances, is held invalid, the remainder of this subchapter and its application to other persons or circumstances shall not be affected

**New Jersey Statutes**

17 48D-9 1 Employer must offer alternative dental coverage

Each employer or other organization which employs or has 25 or more employees or members during the full preceding calendar year and which contributes to a dental plan organization contract which restricts the covered persons in selecting the providers of dental services to a single provider or limited number of providers, shall also offer its employees and their eligible dependents and members and members' eligible dependents at the time a dental benefits plan is offered or renewed the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

17 48D-9 2 Employer contributions

An employer or other organization shall be required to pay for or contribute towards the provision of alternative coverage an amount equal to the premium or cost which it pays or contributes to the dental plan organization contract which limits the number of providers of dental services

Financial security  
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## RATE CONFIRMATION

1. Policyholder: American Electric Power
2. Policy Number(s): 34139-G and 34140-G
3. Insurance Product(s): Basic Term Life and AD&D, Supplemental Term Life, Dependent Term Life, and Voluntary AD&D
4. The insurance rates included in this rate confirmation include compensation as outlined in the Compensation Notice & Disclosure Statement.
5. Rate Coverage Period: January 1, 2016 – December 31, 2020 (with years 6 and 7 conditional if the total plan loss ratio is 92% or below)

### Premium Rates:

Basic Life - Actives: \$0.156 / \$1,000 / month

Basic Life - Executives: \$0.204 / \$1,000 / month

Basic AD&D: \$0.018 / \$1,000 / month

Basic AD&D - ERT: \$0.021 / \$1,000 / month

Retiree Life:

<u>Age</u>	<u>Rate / \$1,000 / Month</u>	
Under 55	\$	0.196
55-59	\$	0.367
60-64	\$	0.563
65-69	\$	1.084
70-74	\$	1.758
75-79	\$	2.850
80-84	\$	4.625
85-89	\$	7.501
90-94	\$	12.142
95 & Over	\$	19.738

Supplemental Life – Employee & Spouse:

<u>Age</u>	<u>Rate / \$1,000 / Month</u>	
	<u>Non-Tobacco</u>	<u>Tobacco</u>
Under 35	\$ 0.048	\$ 0.057
35-39	\$ 0.063	\$ 0.077
40-44	\$ 0.095	\$ 0.114
45-49	\$ 0.143	\$ 0.172
50-54	\$ 0.223	\$ 0.267
55-59	\$ 0.318	\$ 0.381
60-64	\$ 0.509	\$ 0.610
65-69	\$ 0.993	\$ 1.192
70-74	\$ 1.810	\$ 2.173
75-79	\$ 3.240	\$ 3.888

80-84	\$	5.821	\$	6.985
85 & Over	\$	10.490	\$	12.588


Child Life: \$2.23 / employee / month

Voluntary AD&D – Employee: \$0.018 / \$1,000 / month

Voluntary AD&D – Employee & Spouse: \$0.024 / \$1,000 / month

Voluntary AD&D – Employee & Family: \$0.029 / \$1,000 / month

**MINNESOTA LIFE INSURANCE COMPANY**

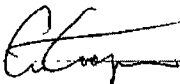
By   
Brian Anderson

Date October 22, 2015

Title 2<sup>nd</sup> Vice President

**ACKNOWLEDGEMENT BY AUTHORIZED REPRESENTATIVE OF POLICYHOLDER**

This document confirms that the rates stated above are the agreed upon rates for the specified policy numbers. These rates will be charged for coverage amounts effective during the Rate Coverage Period listed above. This renewal offer is subject to the current terms and conditions of the policies covering AEP's employees and their dependents. Minnesota Life reserves the right to adjust the rates on any premium due date following the expiration of any rate guarantee period, or following the date that the amount of insurance in force for any one coverage changes by more than 20% from that which was used to determine the current rates. Actives and retirees are considered separate coverages, as are basic life, supplemental life, spouse/domestic partner life, child life and AD&D. In addition, Minnesota Life may change the premium rates anytime, if the policy terms are amended or the total amount of insurance changes by 20% or more. The baseline for calculating the total change in lives will be the lives provided in the 2015 renewal census.

By 

Date 11/16/15

Title Director - Employee Benefits

TX SWEPCO  
401K EMPLOYER CONTRIBUTIONS  
Test Year 1.1.19-6.30.20

Month	Amount
Apr-19	446,619.91
May-19	481,282.47
Jun-19	436,177.06
Jul-19	452,883.29
Aug-19	620,621.27
Sep-19	442,641.16
Oct-19	428,657.20
Nov-19	441,439.64
Dec-19	401,207.05
Jan-20	638,842.94
Feb-20	411,660.15
Mar-20	1,095,756.23
	<u>6,297,788.37</u>

SOUTHWESTERN ELECTRIC POWER COMPANY  
PENSION EXPENSE  
FOR THE TEST PERIOD ENDED MARCH 31, 2020

1. The Company is requesting pension expense based on a Generally Accepted Accounting Principles (GAAP) calculation in accordance with FAS 87.
2. The Company made no qualified pension plan contributions in 2017, 2018, or 2019.
3. The Company's FAS 87 pension expense per GAAP, actual pension payments to the fund, actuarial minimum, and actuarial maximum for each of the three most recent calendar years are shown in the table below. Supporting calculations and relevant pages of the qualified pension plan actuarial reports are shown on Schedule G-2.1 Attachment 1.

	Pension Expense per GAAP, Excluding SERP	Actuarial Pension Pmts To the Fund	Actuarial Minimum	Actuarial Maximum
2017	8,858,583	-	-	84,021,076
2018	8,115,758	-	-	76,965,612
2019	6,594,340	-	-	106,993,553
2020	9,999,361	-	-	Not available

4. The Company will provide updates if there are any changes to the actuarial information and actual pension payments as presented in Item 3 above.

AEP Qualified Plan Minimum Required Contribution and Maximum Deductible Contribution  
Allocation to SWEPCO

	2017	2018	2019	2020
SWEPCO's Share of AEP Plan Obligation (PBO).				
SWEPCO - Distribution	109,541,813.00	113,325,680.00	105,700,343.00	This information is not yet available. SWEPCO will supplement this document once the 2020 actuarial report is complete.
SWEPCO - Generation	120,926,768.00	126,082,060.00	120,123,705.00	
SWEPCO - Texas Distribution	56,121,300.00	56,225,605.00	49,960,610.00	
SWEPCO - Texas Transmission	103,824.00	30,609.00	-	
SWEPCO - Transmission	15,005,149.00	15,711,084.00	13,923,951.00	
Total SWEPCO	301,698,854.00	311,375,038.00	289,708,609.00	-
 AEP Plan Total	 5,026,555,852	 5,158,705,604	 4,777,757,677	
 SWEPCO Portion of Plan Total	 6.00%	 6.04%	 6.06%	
 Minimum Required Contribution:				
AEP Plan Total	-	-	-	-
SWEPCO Portion of Plan Total	-	-	-	-
 Maximum Deductible Contribution:				
AEP Plan Total	1,399,861,574	1,275,127,685	1,764,494,576	
SWEPCO Portion of Plan Total	84,021,076	76,965,612	106,993,553	-

SOUTHWESTERN ELECTRIC POWER COMPANY  
Pension Expense  
For the test year ended March 31, 2020

<b>PENSION</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
SWEPCO - Distribution	2,926,554	2,581,176	2,085,150	3,420,155
SWEPCO - Generation	4,060,318	3,871,497	3,335,663	4,711,010
SWEPCO - Texas Distribution	1,420,999	1,185,353	830,769	1,254,635
SWEPCO - Texas Transmission	4,223	1,028	-	-
SWEPCO - Transmission	446,489	476,704	342,758	613,561
<b>Total SWEPCO</b>	<b>8,858,583</b>	<b>8,115,758</b>	<b>6,594,340</b>	<b>9,999,361</b>

<b>SERP</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
SWEPCO - Distribution	\$81,890	\$76,292	\$15,965	22,702
SWEPCO - Generation	99,549	79,728	74,319	73,685
SWEPCO - Texas Distribution	1	0	0	501
SWEPCO - Texas Transmission	0	0	0	0
SWEPCO - Transmission	1,819	2,354	1,653	29
<b>Total SWEPCO</b>	<b>183,259</b>	<b>158,374</b>	<b>91,937</b>	<b>96,917</b>

<b>TOTAL</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
SWEPCO - Distribution	3,008,444	2,657,468	2,101,115	3,442,857
SWEPCO - Generation	4,159,867	3,951,225	3,409,982	4,784,695
SWEPCO - Texas Distribution	1,421,000	1,185,353	830,769	1,255,136
SWEPCO - Texas Transmission	4,223	1,028	-	-
SWEPCO - Transmission	448,308	479,058	344,411	613,590
<b>Total SWEPCO</b>	<b>9,041,842</b>	<b>8,274,132</b>	<b>6,686,277</b>	<b>10,096,278</b>

**American Electric Power Co.  
American Electric Power System Retirement Plan  
Actuarial Valuation Report  
Employer Contributions for Plan Year  
Beginning January 1, 2017**

**Benefit Cost for Fiscal Year Beginning  
January 1, 2017 under US GAAP**

**May 2017**

**WillisTowersWatson** 

This report is confidential and intended solely for the information and benefit of the immediate recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Purpose and Actuarial Certification" section herein.

## 2.6 Calculation of estimated maximum deductible contribution

All monetary amounts shown in US Dollars

Based on Plan Year		2017
<b>A Basic Maximum</b>		
1 Funding target		4,106,845,705
2 Target normal cost		88,460,077
3 Actuarial value of assets		4,959,332,851
4 50% of funding target		2,053,422,853
5 Additional funding target for future compensation or benefit increases		110,465,790
6 Basic maximum deductible contribution		1,399,861,574
<b>B At-risk Maximum<sup>1</sup></b>		
1 Funding target (at-risk assumptions)		N/A
2 Target normal cost (at-risk assumptions)		N/A
3 Actuarial value of assets		N/A
4 At-risk maximum deductible contribution		N/A
<b>C Minimum Required Contribution</b>		0
<b>D Estimated Maximum Deductible Contribution</b>		1,399,861,574

The estimated maximum deductible contribution applies to the tax year in which the plan year ends, and is based on our understanding of IRC §404(a)(1). Regulatory guidance from the IRS/Treasury is pending. Allocations of costs to inventory have not been considered, and amounts deductible for state income tax purposes may differ. Deductibility can be influenced by timing of contributions, differences between fiscal year and plan year, and differences (if any) between the years to which prior contributions were assigned for minimum funding purposes and the years in which they were deducted. Our results have not been adjusted for non-deducted contributions included in the valuation assets, nor is it clear that such adjustment is appropriate post-PPA. We recommend the plan sponsor review with tax counsel the tax-deductibility of all contributions as Willis Towers Watson does not provide legal or tax advice.

The calculation above reflects stabilized interest rates (including their effect on at-risk status), which is not required in determining the maximum deductible contribution. Not reflecting such corridors would likely result in a higher maximum deductible amount, but would require substantial additional work that may not be of value to the Company. We can discuss not reflecting the corridors if the Company wishes to consider contributions in excess of the estimated maximum amount above.

In addition, the actuarial value of assets shown is the same as used for determining the minimum required contribution. Thus contributions receivable (if any) are discounted at stabilized rates, and the limit on the expected return on assets reflected in asset smoothing (if applicable) is the 3rd segment

<sup>1</sup> At-risk maximum applies only for plans not in at-risk status for purposes of determining maximum deductible contributions for the plan year

American Electric Power System Retirement Plan

Location	ASC 715 30	Estimated Net Periodic Pension Cost									
	Cost 2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
140 Appalachian Power Co - Distribution	\$5,759,878	\$3,765,287	\$2,535,483	\$2,947,133	\$2,806,284	\$2,105,623	\$649,748	\$177,029	(\$740,963)	(\$643,435)	(\$1,432,949)
215 Appalachian Power Co - Generation	3,631,540	1,942,595	1,136,252	1,408,931	1,240,077	837,365	(\$70,515)	(1,053,299)	(1,855,107)	(1,844,015)	(2,602,358)
150 Appalachian Power Co - Transmission	573,940	452,247	170,039	(219,592)	(255,144)	(293,211)	(389,567)	(413,076)	(464,484)	(450,382)	(500,334)
Appalachian Power Co - FERC	9,965,258	6,160,129	3,842,774	4,136,472	3,791,217	2,449,777	(310,134)	(1,289,346)	(3,060,554)	(2,837,832)	(4,535,641)
225 Cedar Coal Co	(170,787)	(130,101)	(152,168)	(158,316)	(169,941)	(182,493)	(205,130)	(226,252)	(250,556)	(264,266)	(292,338)
Appalachian Power Co - SEC	9,862,471	6,030,028	3,690,606	3,978,156	3,621,276	2,267,284	(\$16,864)	(1,515,588)	(3,311,120)	(3,202,100)	(4,827,979)
211 AEP Texas Central Company - Distribution	5,277,371	3,580,828	2,894,038	3,273,288	3,240,799	2,656,892	1,395,763	987,945	213,373	268,763	(410,172)
147 AEP Texas Central Company - Generation	(533,273)	(604,752)	(673,958)	(708,862)	(756,590)	(806,723)	(855,095)	(909,769)	(1,037,704)	(1,174,852)	(1,304,057)
169 AEP Texas Central Company - Transmission	916,500	736,965	631,849	652,959	667,155	592,756	438,164	395,678	312,177	330,092	246,757
AEP Texas Central Co	5,660,598	3,713,031	2,851,959	3,214,396	3,151,364	2,442,935	938,832	397,754	(577,154)	(575,997)	(1,467,472)
119 AEP Texas North Company - Distribution	1,155,180	1,391,327	1,146,241	1,172,839	1,154,415	1,015,176	701,947	626,068	443,204	497,061	357,372
166 AEP Texas North Company - Generation	(425,251)	(571,606)	(655,954)	(713,391)	(769,072)	(831,378)	(904,405)	(1,041,904)	(1,144,514)	(1,263,298)	(1,395,193)
192 AEP Texas North Company - Transmission	404,973	351,547	337,484	358,299	382,540	345,806	271,522	245,093	205,761	204,127	167,933
AEP Texas North Co	1,730,902	1,169,288	796,771	826,347	767,983	530,606	29,364	(164,722)	(488,649)	(502,110)	(800,890)
AEP Texas	7,391,500	4,882,299	3,648,730	4,043,743	3,913,347	2,973,541	968,196	233,032	(1,061,003)	(1,078,107)	(2,268,312)
170 Indiana Michigan Power Co - Distribution	2,760,703	1,709,832	1,259,950	1,482,958	1,421,167	1,042,090	238,916	(4,218)	(518,547)	(504,470)	(578,259)
132 Indiana Michigan Power Co - Generation	1,053,565	250,901	(124,839)	(51,162)	(176,153)	(428,417)	(963,431)	(1,222,277)	(1,585,104)	(1,644,882)	(2,035,953)
190 Indiana Michigan Power Co - Nuclear	7,884,317	6,313,147	5,477,301	6,008,940	6,058,800	5,296,608	3,883,379	3,446,962	2,456,039	2,548,269	1,698,191
120 Indiana Michigan Power Co - Transmission	659,009	637,546	478,635	485,579	451,221	370,288	193,911	134,568	29,799	42,917	(55,729)
280 Ind Mac River Transp Lavan	808,988	597,469	510,886	583,966	572,129	471,752	278,720	280,998	62,388	72,728	(61,577)
Indiana Michigan Power Co - FERC	13,406,179	9,508,905	7,602,783	8,490,189	8,325,164	6,752,321	3,631,495	2,557,725	444,555	514,562	(1,478,377)
202 Price River Coal	0	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co - SEC	13,406,179	9,508,905	7,602,783	8,490,189	8,325,164	6,752,321	3,631,495	2,557,735	444,555	514,562	(1,478,377)
110 Kentucky Power Co - Distribution	1,604,713	1,189,091	841,647	848,880	759,420	602,129	264,081	150,252	(64,919)	(39,566)	(227,097)
117 Kentucky Power Co - Generation	285,117	85,707	(34,233)	(14,603)	(45,854)	(105,966)	(236,224)	(284,450)	(355,210)	(347,479)	(419,099)
180 Kentucky Power Co - Transmission	99,969	85,478	48,462	(21,595)	(25,648)	(31,385)	(40,413)	(44,029)	(50,386)	(49,042)	(54,671)
600 Kentucky Power Co - Kanner Activies	(92,061)	(123,318)	(148,823)	(162,379)	(167,729)	(183,054)	(218,538)	(232,209)	(266,500)	(277,503)	(308,684)
701 Kentucky Power Co - Mitchell Activies	1,280,206	1,095,024	1,037,475	1,125,285	1,140,319	1,016,528	776,748	682,913	525,710	529,402	386,115
702 Kentucky Power Co - Mitchell Inactivies	(497,167)	(716,288)	(861,853)	(914,564)	(1,002,460)	(1,176,771)	(1,444,503)	(1,367,513)	(1,525,149)	(1,601,965)	(1,755,437)
Kentucky Power Co	2,680,717	1,616,694	862,695	860,714	658,088	221,471	(699,299)	(1,095,136)	(1,730,434)	(1,786,233)	(2,400,873)
260 Ohio Power Co - Distribution	5,713,345	3,963,563	2,767,153	3,291,031	3,124,551	2,126,003	1,659,439	(570,770)	(1,929,213)	(1,920,043)	(3,140,880)
160 Ohio Power Co - Transmission	177,340	(66,756)	(272,195)	(713,289)	(551,100)	(402,500)	(527,644)	(658,031)	(624,919)	(605,670)	(662,794)
Ohio Power Co	6,890,685	3,896,807	2,494,958	2,577,732	2,573,451	1,723,103	(368,205)	(1,128,801)	(2,554,132)	(2,525,713)	(3,803,674)
167 Public Service Co of Oklahoma - Distribution	3,174,415	2,155,530	1,767,911	2,233,606	1,967,490	1,620,338	819,682	584,272	84,094	106,910	(370,358)
193 Public Service Co of Oklahoma - Generation	1,978,247	1,513,343	1,336,277	1,493,831	1,526,551	1,511,288	893,290	765,464	499,765	521,182	285,083
114 Public Service Co of Oklahoma - Transmission	485,163	389,748	364,285	400,217	410,300	353,482	244,318	196,610	125,558	117,251	45,975
Public Service Co of Oklahoma	5,635,826	4,068,621	3,468,483	3,927,854	3,898,841	3,285,109	1,957,990	1,549,346	708,417	745,343	(35,300)
169 Southwestern Electric Power Co - Distribution	2,926,554	2,254,283	2,001,696	2,227,103	2,267,175	2,015,883	1,491,853	1,319,798	1,007,075	1,044,464	767,173
168 Southwestern Electric Power Co - Generation	4,060,316	3,340,917	2,920,832	3,204,729	3,221,137	2,509,544	2,278,648	2,112,339	1,744,754	1,764,409	1,443,304
161 Southwestern Electric Power Co - Texas - Distribution	1,422,999	1,098,476	902,692	948,461	958,585	825,800	570,292	468,607	325,810	364,682	216,117
111 Southwestern Electric Power Co - Texas - Transmission	4,223	4,242	2,625	(719)	(699)	(699)	(763)	(1,727)	(717)	(644)	(635)
194 Southwestern Electric Power Co - Transmission	445,489	371,209	344,656	379,644	383,770	327,536	229,191	187,408	124,115	116,994	45,206
Southwestern Electric Power Co	8,858,583	7,069,127	6,171,991	6,759,218	6,829,968	6,078,070	4,569,321	4,105,425	3,201,037	3,279,905	2,472,165
230 Kingsport Power Co - Distribution	284,615	195,235	145,293	167,036	163,024	130,042	60,918	42,069	(778)	2,321	(34,633)
260 Kingsport Power Co - Transmission	27,051	18,833	2,609	(16,729)	(18,701)	(21,519)	(26,451)	(28,065)	(31,021)	(29,995)	(32,599)
Kingsport Power Co	311,666	217,068	147,811	150,307	144,323	108,523	34,427	14,004	(31,799)	(27,674)	(67,432)
210 Wheeling Power Co - Distribution	236,692	142,734	100,158	119,150	108,339	77,793	3,633	(26,964)	(79,119)	(79,609)	(132,333)
200 Wheeling Power Co - Transmission	(15,763)	(20,105)	(23,244)	(23,752)	(25,067)	(26,494)	(29,395)	(31,912)	(34,942)	(36,756)	(40,392)
Wheeling Power Co	220,929	122,629	76,924	95,398	83,272	51,299	(25,762)	(58,966)	(114,061)	(116,629)	(172,729)
103 American Electric Power Service Corporation	40,232,187	30,665,289	23,277,273	22,678,775	20,589,035	16,962,286	9,501,930	7,045,921	2,419,677	2,980,372	(1,076,201)
293 Elmwood	(219,072)	(251,531)	(285,549)	(298,274)	(322,641)	(343,005)	(399,811)	(427,146)	(473,697)	(503,301)	(564,716)
292 AEP River Operations LLC	(1,984,832)	(2,761,031)	(2,552,966)	(2,691,333)	(2,918,509)	(3,110,158)	(3,469,945)	(3,821,216)	(4,253,090)	(4,533,130)	(5,056,388)
American Electric Power Service Corp	38,018,283	28,156,727	20,438,778	19,689,168	17,348,685	13,499,123	5,642,174	2,797,559	(2,307,118)	(2,048,067)	(6,697,305)
143 AEP Pro Serv, Inc	2,138	(1,281)	(6,813)	(8,308)	(9,984)	(12,175)	(16,484)	(18,023)	(20,861)	(20,720)	(22,982)
185 Central Coal Company	0	0	0	0	0	0	0	0	0	0	0
Mazellennecous	2,138	(1,281)	(6,813)	(8,308)	(9,984)	(12,175)	(16,484)	(18,023)	(20,861)	(20,720)	(22,982)
270 Cook Coal Terminal	36,333	13,945	1,057	3,866	(388)	(21,686)	(36,366)	(44,260)	(63,409)	(67,566)	(86,948)
AEP Generating Company	36,333	13,945	1,057	3,866	(388)	(21,686)	(36,366)	(44,260)	(63,409)	(67,566)	(86,948)
184 Cardinal Operating Company	802,559	315,767	30,640	106,754	27,382	(220,602)	(693,641)	(936,641)	(1,308,093)	(1,308,100)	(1,765,862)
181 Ohio Power Co - Generation	(2,187,169)	(5,959,243)	(7,541,174)	(7,781,075)	(8,526,822)	(9,479,442)	(11,311,905)	(12,581,282)	(14,271,076)	(16,802,426)	(19,732,132)
AEP Generation Resources - FERC	(1,384,010)	(5,043,456)	(7,510,534)	(7,680,321)	(8,499,440)	(9,700,040)	(11,064,040)	(12,530,923)	(15,375,171)	(16,340,528)	(18,558,294)
280 Consolco Coal Preparation Company	(88,060)	(112,195)	(132,546)	(137,678)	(147,377)	(158,144)	(180,357)	(198,882)	(221,655)	(233,711)	(255,632)
AEP Generation Resources - SEC	(1,480,670)	(5,755,651)	(7,643,040)	(7,817,999)	(8,646,817)	(9,658,658)	(11,185,003)	(13,729,819)	(16,574,237)	(18,817,926)	(21,581,926)
171 CSW Energy, Inc.	10,109	(4,532)	(19,459)	(23,643)	(27,113)	(32,658)	(45,648)	(63,850)	(80,076)	(92,431)	(106,215)
175 ASP Energy Partners	809,255	753,209	689,235	651,669	621,395	551,495	451,004	410,987	338,584	337,161	266,261
419 Onsite Partners	56,153	54,862	52,910	49,511	48,605	43,522	39,520	36,008	34,673	34,321	31,332
AEP Energy Supply	(605,153)	(4,952,126)	(6,920,434)	(7,140,462)	(8,003,930)	(9,295,299)	(11,740,127)	(13,334,670)	(15,487,605)	(16,255,106)	(18,582,548)
245 Dolet Hills	1,040,951	1,018,486	1,041,478	1,062,168	1,079,011	1,020,432	945,856	924,097	871,109	864,133	820,115
Dolet Hills	1,040,951	1,018,486	1,041,478	1,062,168	1,079,011	1,020,432	945,856	924,097	871,109	864,133	820,115
Total	\$93,751,108	\$61,647,338	\$42,718,717	\$44,890,143	\$40,671,124	\$28,652,216	\$4,345,952	(\$5,014,196)	(\$21,456,424)	(\$21,724,038)	(\$37,102,125)
Total without Dolet Hills	\$92,710,157	\$60,629,449	\$41,677,239	\$43,827,975	\$39,592,113	\$27,631,784	\$3,400,096	(\$5,938,293)	(\$22,327,533)	(\$22,588,171)	(\$37,922,240)

May 2017

WillisTowersWatson

Sponsored by: Michael Baird

2858

AMERICAN ELECTRIC POWER - QUALIFIED RETIREMENT PLAN  
SUMMARY OF ASC 715-30 VALUATION RESULTS AS OF JANUARY 1, 2017

Location	Valuation Earnings	Market-Related Value of Assets	Fair Value of Assets	Accumulated Benefit Obligation	Projected Benefit Obligation	January 1, 2017 Pre-Tax AOC†
140 Appalachian Power Co - Distribution	\$98,385,544	\$316,868,729	\$314,179,827	\$330,958,691	\$337,875,225	\$116,921,721
215 Appalachian Power Co - Generation	70,507,865	269,677,509	267,389,065	268,187,923	274,410,837	71,174,548
150 Appalachian Power Co - Transmission	710,622	20,032,572	19,862,578	31,015,836	31,049,538	18,432,766
Appalachian Power Co. - FERC	\$169,604,031	\$606,578,810	\$601,431,470	\$630,162,450	\$643,335,600	\$206,529,035
225 Cedar Coal Co	0	4,657,401	4,617,879	3,098,608	3,098,608	2,772,999
Appalachian Power Co. - SEC	\$169,604,031	\$611,236,211	\$606,049,349	\$633,261,058	\$646,434,208	\$209,302,034
211 AEP Texas Central Company - Distribution	88,008,638	287,313,266	284,875,168	284,518,779	294,538,391	132,404,884
147 AEP Texas Central Company - Generation	0	11,710,282	11,610,910	2,787,499	2,787,499	(8,823,411)
169 AEP Texas Central Company - Transmission	13,759,375	29,254,550	29,006,300	30,034,258	31,517,686	17,876,017
AEP Texas Central Co	\$101,768,013	\$328,278,098	\$325,492,378	\$317,340,536	\$328,843,576	\$141,457,490
119 AEP Texas North Company - Distribution	23,818,484	63,902,321	63,360,055	67,712,964	69,919,235	35,083,006
166 AEP Texas North Company - Generation	0	24,486,787	24,278,996	18,260,367	18,260,367	14,455,894
192 AEP Texas North Company - Transmission	7,897,812	12,745,071	12,636,918	11,017,065	11,792,965	2,881,458
AEP Texas North Co.	\$31,716,296	\$101,134,179	\$100,275,969	\$96,990,396	\$99,972,567	\$52,420,358
AEP Texas	\$133,484,309	\$429,412,277	\$425,768,347	\$414,330,932	\$428,816,143	\$193,877,848
170 Indiana Michigan Power Co - Distribution	53,642,570	166,070,215	164,660,967	163,383,517	168,851,776	52,001,992
132 Indiana Michigan Power Co - Generation	28,674,099	111,233,846	110,289,932	103,812,083	105,489,542	16,036,829
190 Indiana Michigan Power Co - Nuclear	128,210,760	242,991,376	240,929,386	243,297,082	255,102,185	41,315,140
120 Indiana Michigan Power Co - Transmission	12,795,235	34,553,162	34,259,949	37,205,972	38,473,138	10,915,329
280 Ind Mich River Transp Lakin	16,135,382	36,796,747	36,484,495	33,810,660	36,044,490	4,725,832
Indiana Michigan Power Co. - FERC	\$241,459,046	\$591,645,346	\$586,624,729	\$581,509,314	\$603,961,131	\$124,995,122
202 Pnce River Coal	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$241,459,046	\$591,645,346	\$586,624,729	\$581,509,314	\$603,961,131	\$124,995,122
110 Kentucky Power Co - Distribution	23,258,666	68,506,518	67,925,181	75,658,252	77,124,109	22,336,171
117 Kentucky Power Co - Generation	4,575,742	30,222,701	29,966,236	32,041,028	32,271,063	7,809,783
180 Kentucky Power Co - Transmission	131,408	1,572,152	1,558,811	3,351,255	3,357,943	2,542,698
600 Kentucky Power Co - Kammer Actives	655,108	4,903,598	4,861,987	3,238,382	3,238,382	1,717,673
701 Kentucky Power Co - Mitchell Actives	24,449,601	34,637,645	34,343,715	31,299,010	33,413,520	11,729,214
702 Kentucky Power Co - Mitchell Inactives	0	36,383,592	36,074,846	29,517,011	29,517,011	7,211,520
Kentucky Power Co.	\$53,070,525	\$176,226,206	\$174,730,776	\$175,104,938	\$178,922,028	\$53,347,059
250 Ohio Power Co - Distribution	133,928,801	438,225,503	434,506,785	428,205,269	443,712,662	180,775,488
160 Ohio Power Co - Transmission	910,656	39,833,856	39,495,831	44,593,515	44,637,491	29,937,777
Ohio Power Co.	\$134,839,457	\$478,059,359	\$474,002,616	\$472,798,784	\$488,350,153	\$210,713,265
167 Public Service Co of Oklahoma - Distribution	58,911,510	164,558,856	163,162,433	156,222,347	164,020,325	62,871,016
198 Public Service Co of Oklahoma - Generation	35,418,356	83,878,856	83,167,073	78,601,195	82,107,197	22,908,739
114 Public Service Co of Oklahoma - Transmission	9,785,037	20,268,044	20,096,052	17,753,322	18,987,891	4,675,477
Public Service Co of Oklahoma	\$104,114,903	\$268,705,756	\$266,425,558	\$252,576,864	\$265,115,413	\$90,455,232
159 Southwestern Electric Power Co - Distribution	47,226,511	105,386,826	104,492,529	103,166,983	109,541,813	43,270,434
168 Southwestern Electric Power Co - Generation	60,712,832	114,294,221	113,324,337	115,254,293	120,926,768	39,853,184
161 Southwestern Electric Power Co - Texas - Distribution	21,098,835	52,027,224	51,585,728	53,562,422	56,121,300	24,059,383
111 Southwestern Electric Power Co - Texas - Transmission	0	22,386	22,196	103,824	103,824	918,461
194 Southwestern Electric Power Co - Transmission	9,375,944	16,661,207	16,519,823	13,647,534	15,005,149	3,251,855
Southwestern Electric Power Co.	\$138,414,122	\$288,391,864	\$285,944,613	\$285,735,056	\$301,698,854	\$111,353,317
230 Kingsport Power Co - Distribution	4,647,606	13,397,488	13,283,799	13,836,498	14,204,671	4,927,589
260 Kingsport Power Co - Transmission	0	1,548,572	1,536,431	2,144,851	2,144,851	1,327,448
Kingsport Power Co	\$4,647,606	\$14,946,060	\$14,819,230	\$15,981,349	\$16,349,522	\$6,255,037
210 Wheeling Power Co - Distribution	4,839,473	15,847,542	15,713,062	15,212,506	15,572,806	6,175,576
200 Wheeling Power Co - Transmission	0	804,272	797,447	582,729	582,729	661,771
Wheeling Power Co	\$4,839,473	\$16,651,814	\$16,510,509	\$15,795,235	\$16,155,535	\$6,837,347
103 American Electric Power Service Corporation	597,981,901	1,456,125,523	1,443,769,057	1,594,027,581	1,659,087,473	481,690,145
293 Elmwood	0	5,256,986	5,212,376	1,552,610	1,552,610	(3,854,365)
292 AEP River Operations LLC	0	50,435,092	50,007,107	17,525,297	17,525,297	(35,189,038)
American Electric Power Service Corp	\$597,981,901	\$1,511,817,601	\$1,498,988,540	\$1,613,105,488	\$1,678,165,380	\$442,646,742
143 AEP Pro Serv, Inc	0	998,181	989,710	1,117,089	1,117,089	41,592
189 Central Coal Company	0	0	0	0	0	0
Miscellaneous	\$0	\$998,181	\$989,710	\$1,117,089	\$1,117,089	\$41,592
270 Cook Coal Terminal	2,176,359	4,210,318	4,174,590	3,533,913	3,661,179	(35,363)
AEP Generating Company	\$2,176,359	\$4,210,318	\$4,174,590	\$3,533,913	\$3,661,179	(\$35,363)
104 Cardinal Operating Company	27,652,441	92,099,709	91,318,164	80,099,669	82,625,027	(8,693,137)
181 Ohio Power Co - Generation	52,388,414	370,626,488	367,481,405	289,815,787	295,121,905	102,309,835
AEP Generation Resources - FERC	\$80,040,855	\$462,726,197	\$458,799,569	\$369,915,456	\$377,746,932	\$93,616,698
290 Conesville Coal Preparation Company	0	4,355,358	4,318,399	3,066,853	3,066,853	359,596
AEP Generation Resources - SEC	\$80,040,855	\$467,081,555	\$463,117,968	\$372,982,309	\$380,813,785	\$93,976,294
171 CSW Energy, Inc	0	2,529,027	2,507,566	2,839,125	2,839,125	1,155,794
175 AEP Energy Partners	12,457,660	9,200,354	9,122,281	9,922,643	11,947,975	4,845,640
419 Onsite Partners	941,948	99,051	98,211	58,824	260,895	155,642
AEP Energy Supply	\$93,446,463	\$478,909,987	\$474,846,026	\$385,802,901	\$395,861,780	\$100,133,370
245 Dolet Hills	22,734,363	2,025,758	2,008,567	1,929,541	1,947,437	(17,089)
Dolet Hills	\$22,734,363	\$2,025,758	\$2,008,567	\$1,929,541	\$1,947,437	(\$17,089)
Total	\$1,700,806,558	\$4,873,236,738	\$4,831,883,160	\$4,852,582,462	\$5,026,555,852	\$1,549,905,513

**American Electric Power Co.  
American Electric Power System Retirement Plan  
Actuarial Valuation Report  
Employer Contributions for Plan Year  
Beginning January 1, 2018  
  
Benefit Cost for Fiscal Year Beginning  
January 1, 2018 under US GAAP  
  
May 2018**

## 2.6 Calculation of estimated maximum deductible contribution

All monetary amounts shown in US Dollars

Based on Plan Year		2018
<b>A Basic Maximum</b>		
1 Funding target		4,128,670,979
2 Target normal cost		92,185,812
3 Actuarial value of assets		5,129,602,801
4 50% of funding target		2,064,335,490
5 Additional funding target for future compensation or benefit increases		119,538,205
6 Basic maximum deductible contribution		1,275,127,685
<b>B At-risk Maximum<sup>1</sup></b>		
1 Funding target (at-risk assumptions)		N/A
2 Target normal cost (at-risk assumptions)		N/A
3 Actuarial value of assets		N/A
4 At-risk maximum deductible contribution		N/A
<b>C Minimum Required Contribution</b>		0
<b>D Estimated Maximum Deductible Contribution</b>		1,275,127,685

The estimated maximum deductible contribution applies to the tax year in which the plan year ends, and is based on our understanding of IRC §404(a)(1). Regulatory guidance from the IRS/Treasury is pending. Allocations of costs to inventory have not been considered, and amounts deductible for state income tax purposes may differ. Deductibility can be influenced by timing of contributions, differences between fiscal year and plan year, and differences (if any) between the years to which prior contributions were assigned for minimum funding purposes and the years in which they were deducted. Our results have not been adjusted for non-deducted contributions included in the valuation assets, nor is it clear that such adjustment is appropriate post-PPA. We recommend the plan sponsor review with tax counsel the tax-deductibility of all contributions as Willis Towers Watson does not provide legal or tax advice.

The calculation above reflects stabilized interest rates (including their effect on at-risk status), which is not required in determining the maximum deductible contribution. Not reflecting such corridors would likely result in a higher maximum deductible amount, but would require substantial additional work that may not be of value to the Company. We can discuss not reflecting the corridors if the Company wishes to consider contributions in excess of the estimated maximum amount above.

In addition, the actuarial value of assets shown is the same as used for determining the minimum required contribution. Thus contributions receivable (if any) are discounted at stabilized rates, and the limit on the expected return on assets reflected in asset smoothing (if applicable) is the 3rd segment

<sup>1</sup> At-risk maximum applies only for plans not in at-risk status for purposes of determining maximum deductible contributions for the plan year.

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
2019 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	"Other" Cost				Total "Other" Cost	Net Periodic Pension Cost
				Interest Cost	Expected Return on Assets	Amortizations			
						PSC	(G)/L		
140 Appalachian Power Co - Distribution	\$345,861,753	\$325,199,817	\$5,249,440	\$12,403,694	(\$19,001,282)	\$865	\$5,565,583	(\$1,031,140)	\$4,218,300
215 Appalachian Power Co - Generation	277,776,402	276,844,166	3,996,433	9,943,069	(16,175,883)	816	4,469,958	(1,762,040)	2,236,393
150 Appalachian Power Co - Transmission	30,043,811	19,273,756	23,179	1,056,441	(1,126,157)	125	483,463	413,872	437,051
Appalachian Power Co - FERC	\$653,681,966	\$621,317,739	\$9,271,052	\$23,403,204	(\$36,303,322)	\$1,806	\$10,519,004	(\$2,379,308)	\$6,891,744
225 Cedar Coal Co	2,880,548	4,730,379	0	100,172	(276,394)	0	46,354	(129,868)	(129,868)
Appalachian Power Co. - SEC	\$656,562,514	\$626,048,118	\$9,271,052	\$23,503,376	(\$36,579,716)	\$1,806	\$10,565,358	(\$2,509,176)	\$6,761,876
211 AEP Texas Central Company - Distribution	302,622,615	292,289,921	5,942,629	10,842,198	(17,078,956)	65	4,869,781	(1,366,912)	4,575,717
147 AEP Texas Central Company - Generation	2,596,732	12,288,903	0	89,448	(718,035)	0	41,786	(586,801)	(586,801)
169 AEP Texas Central Company - Transmission	33,141,222	30,424,243	998,625	1,201,994	(1,777,675)	10	533,306	(42,365)	956,260
AEP Texas Central Co	\$338,360,569	\$335,013,067	\$6,941,254	\$12,133,640	(\$19,574,666)	\$75	\$5,444,873	(\$1,996,078)	\$4,945,176
119 AEP Texas North Company - Distribution	72,404,390	64,898,743	1,679,587	2,590,666	(3,792,005)	17	1,165,126	(36,196)	1,643,391
166 AEP Texas North Company - Generation	17,744,807	24,854,689	0	620,646	(1,452,249)	0	285,548	(546,055)	(546,055)
192 AEP Texas North Company - Transmission	12,391,896	12,741,380	516,570	456,561	(744,473)	4	199,410	(88,498)	428,072
AEP Texas North Co.	\$102,541,093	\$102,494,812	\$2,196,157	\$3,667,873	(\$5,988,727)	\$21	\$1,650,084	(\$670,749)	\$1,525,408
AEP Texas	\$440,901,662	\$437,507,879	\$9,137,411	\$15,801,513	(\$25,563,393)	\$96	\$7,094,957	(\$2,666,827)	\$6,470,584
170 Indiana Michigan Power Co - Distribution	170,323,384	171,225,006	3,037,901	6,118,289	(10,004,602)	408	2,740,832	(1,145,073)	1,692,828
132 Indiana Michigan Power Co - Generation	101,692,714	110,094,266	1,370,558	3,641,375	(6,432,760)	294	1,636,432	(1,154,659)	215,899
190 Indiana Michigan Power Co - Nuclear	260,403,206	255,648,628	7,452,114	9,504,934	(14,937,437)	743	4,190,390	(1,241,370)	6,210,744
120 Indiana Michigan Power Co - Transmission	39,825,928	35,520,783	719,415	1,436,467	(2,075,464)	94	640,876	1,973	721,388
280 Ind Mich River Transp Laken	37,068,543	38,044,704	913,845	1,345,252	(2,222,935)	119	596,504	(281,060)	632,785
Indiana Michigan Power Co. - SEC	\$609,313,775	\$610,533,387	\$13,493,833	\$22,046,317	(\$35,673,198)	\$1,658	\$9,805,034	(\$3,820,189)	\$9,673,644
110 Kentucky Power Co - Distribution	80,972,395	66,600,444	1,215,885	2,906,132	(4,066,723)	235	1,303,002	142,646	1,358,531
117 Kentucky Power Co - Generation	32,777,704	30,942,801	203,215	1,166,796	(1,807,974)	121	527,456	(113,601)	89,614
180 Kentucky Power Co - Transmission	3,381,074	1,426,265	4,531	115,808	(83,453)	35	54,408	86,798	91,329
600 Kentucky Power Co - Kammer Activies	3,327,904	5,373,744	0	118,202	(313,985)	15	53,552	(142,216)	(142,216)
701 Kentucky Power Co - Mitchell Activies	36,077,365	36,100,542	1,381,442	1,347,841	(2,109,339)	67	580,554	(180,877)	1,200,565
702 Kentucky Power Co - Mitchell Inactives	30,948,368	38,057,225	0	1,087,548	(2,223,667)	56	498,019	(638,046)	(638,046)
Kentucky Power Co	\$187,484,810	\$181,503,021	\$2,805,073	\$6,742,325	(\$10,605,141)	\$529	\$3,016,991	(\$845,296)	\$1,959,777
250 Ohio Power Co - Distribution	451,069,289	452,977,758	7,664,508	16,179,324	(26,467,291)	1,067	7,258,575	(3,028,325)	4,636,183
160 Ohio Power Co - Transmission	43,443,804	38,110,933	30,135	1,520,480	(2,285,236)	213	699,095	(65,448)	(35,313)
Ohio Power Co	\$494,513,093	\$492,086,711	\$7,694,643	\$17,699,804	(\$26,752,527)	\$1,280	\$7,957,670	(\$3,093,773)	\$4,600,870
167 Public Service Co of Oklahoma - Distribution	166,919,318	169,535,218	3,922,580	6,005,735	(9,905,868)	77	2,688,054	(1,214,002)	2,708,578
198 Public Service Co of Oklahoma - Generation	83,981,353	86,293,196	2,339,970	3,047,636	(5,042,074)	31	1,351,422	(642,985)	1,696,985
114 Public Service Co of Oklahoma - Transmission	20,176,564	20,428,424	680,311	733,785	(1,193,624)	5	324,680	(135,154)	545,157
Public Service Co of Oklahoma	\$271,077,235	\$276,256,838	\$6,942,861	\$9,787,156	(\$16,141,566)	\$113	\$4,362,156	(\$1,992,141)	\$4,950,720
159 Southwestern Electric Power Co - Distribution	113,325,680	109,617,281	3,074,474	4,087,918	(6,404,890)	45	1,823,629	(493,298)	2,581,176
168 Southwestern Electric Power Co - Generation	126,082,060	118,507,648	4,175,017	4,591,894	(6,924,350)	32	2,028,904	(303,520)	3,871,497
161 Southwestern Electric Power Co - Texas - Distribution	56,225,605	53,543,427	1,376,137	2,032,935	(3,126,519)	22	904,778	(190,784)	1,185,353
111 Southwestern Electric Power Co - Texas - Transmission	30,609	7,585	0	978	(443)	0	493	1,028	1,028
194 Southwestern Electric Power Co - Transmission	15,711,064	16,672,580	616,980	581,064	(974,172)	10	252,822	(140,276)	476,704
Southwestern Electric Power Co	\$311,375,038	\$298,346,521	\$9,242,608	\$11,294,789	(\$17,432,374)	\$109	\$5,010,626	(\$1,126,850)	\$8,115,758
230 Kingsport Power Co - Distribution	14,771,518	13,903,421	258,677	532,774	(812,371)	32	237,702	(41,863)	217,014
260 Kingsport Power Co - Transmission	2,151,373	1,466,347	0	75,125	(85,678)	3	34,620	24,070	24,070
Kingsport Power Co	\$16,922,891	\$15,369,768	\$258,677	\$607,899	(\$898,049)	\$35	\$272,322	(\$17,793)	\$241,084
210 Wheeling Power Co - Distribution	15,673,408	16,162,870	294,316	564,033	(944,389)	52	252,215	(128,089)	166,227
200 Wheeling Power Co - Transmission	585,322	782,885	0	19,816	(45,744)	0	9,419	(16,509)	(16,509)
Wheeling Power Co	\$16,258,730	\$16,945,759	\$294,316	\$583,849	(\$990,133)	\$52	\$261,634	(\$144,598)	\$149,718
103 American Electric Power Service Corporation	1,758,572,357	1,491,209,894	33,565,521	63,182,473	(87,130,738)	2,761	28,298,819	4,353,315	37,918,836
293 Elmwood	1,403,304	5,485,961	0	48,596	(320,542)	43	22,582	(249,321)	(249,321)
292 AEP River Operations LLC	15,584,553	51,387,499	0	510,944	(3,002,549)	239	250,786	(2,240,580)	(2,240,580)
American Electric Power Service Corp	\$1,775,560,214	\$1,548,083,354	\$33,565,521	\$63,742,013	(\$90,453,829)	\$3,043	\$28,572,187	\$1,863,414	\$35,428,935
270 Cook Coal Terminal	3,237,224	4,348,120	83,675	117,964	(254,059)	9	52,093	(83,993)	(318)
AEP Generating Company	\$3,237,224	\$4,348,120	\$83,675	\$117,964	(\$254,059)	\$9	\$52,093	(\$83,993)	(\$318)
104 Cardinal Operating Company	85,592,053	94,166,248	1,621,982	3,087,202	(5,503,261)	174	1,377,341	(1,038,544)	583,438
181 Ohio Power Co - Generation	265,305,849	348,186,253	1,200,511	9,351,312	(20,344,370)	768	4,269,283	(6,723,007)	(5,522,496)
AEP Generation Resources - FERC	\$350,897,902	\$442,372,501	\$2,822,493	\$12,438,514	(\$25,847,631)	\$942	\$5,646,624	(\$7,761,551)	(\$4,939,058)
290 Conesville Coal Preparation Company	3,047,266	4,417,500	0	106,165	(258,113)	6	49,036	(102,906)	(102,906)
AEP Generation Resources - SEC	\$353,945,168	\$446,790,001	\$2,822,493	\$12,544,679	(\$26,105,744)	\$948	\$5,695,660	(\$7,864,457)	(\$5,041,964)
171 CSW Energy, Inc	2,913,119	2,576,936	0	103,544	(150,569)	3	46,878	(144)	(144)
175 AEP Energy Partners	13,176,930	9,786,794	651,185	492,140	(971,838)	10	212,042	132,354	783,539
419 Onsite Partners	612,976	298,264	95,980	25,759	(17,427)	0	9,864	18,196	114,176
AEP Energy Supply	\$370,648,193	\$459,451,995	\$3,569,658	\$13,166,122	(\$26,845,578)	\$951	\$5,964,444	(\$7,714,051)	(\$4,144,383)
143 AEP Pro Serv, Inc	1,075,853	941,894	0	38,379	(55,034)	0	17,313	658	658
AEP Pro Serv, Inc	\$1,075,853	\$941,894	\$0	\$38,379	(\$55,034)	\$0	\$17,313	\$658	\$658
245 Dolet Hills	3,774,372	3,251,930	1,284,679	183,483	(190,009)	0	60,737	54,211	1,338,890
Dolet Hills	\$3,774,372	\$3,251,930	\$1,284,679	\$183,483	(\$190,009)	\$0	\$60,737	\$54,211	\$1,338,890
Total	\$5,158,705,604	\$4,970,679,291	\$97,644,207	\$185,314,989	(\$290,434,606)	\$9,691	\$83,013,522	(\$22,096,404)	\$75,547,803
Total without Dolet Hills	\$5,154,931,232	\$4,967,427,361	\$96,359,528	\$185,131,506	(\$290,244,597)	\$9,691	\$82,952,785	(\$22,150,615)	\$74,208,913

**American Electric Power Co.  
American Electric Power System Retirement Plan  
Actuarial Valuation Report  
Employer Contributions for Plan Year  
Beginning January 1, 2019  
Benefit Cost for Fiscal Year Beginning  
January 1, 2019 under US GAAP  
May 2019**

This report is confidential and intended solely for the information and benefit of the intended recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Actuarial Certification" section herein.

**Minimum required contribution and funding policy**

All monetary amounts shown in US Dollars

<b>Plan Year Beginning</b>	<b>01/01/2019</b>	<b>01/01/2018</b>
<b>Minimum Required Contribution (MRC)</b>		
Prior to application of funding balances	94,230,563	0
Net of available funding balances	0	0
 <b>Sponsor's Funding Policy Contribution</b>	 95,529,000	 0

The plan sponsor's funding policy generally has been to contribute the greater of the ASC 715 service cost or the minimum required contribution. We understand the sponsor may deviate from this policy based on cash, tax or other considerations.

The minimum required contribution includes a contribution to cover the benefits expected to accrue in the coming year (if any) plus any expenses expected to be paid from the trust in the coming year (target normal cost), as well as a 7-year amortization (with a somewhat longer amortization period for shortfall amortization bases established in any year for which funding relief was elected) of any funding shortfall (amortization installments) (See Section 2.4 for a break-down of the minimum required contribution into target normal cost and amortization installments, and see Section 2.5 for a schedule of amortization installments for future years.) Thus, assuming that all actuarial assumptions are realized and do not change and the plan sponsor contributes the minimum required contribution each year (target normal cost plus amortization installments), the plan would generally be expected to be fully funded in 7 years, and the minimum required contribution would be expected to drop to target normal cost. During the 7 year period, there will be some variability in minimum required contributions due to amortization installments from prior years dropping out as the 7-year amortization period ends (and for deferred asset gains or losses becoming reflected in assets if an asset smoothing method is used for the actuarial value of assets). In reality, gains and losses will occur, and the plan sponsor may fail to contribute the minimum required contribution (or may contribute more than the minimum required contribution in accordance with the funding policy described above), which may cause the plan to take more or less than 7 years to become fully funded. Note that being fully funded under the funding rules is not the same as being fully funded on a plan termination basis, as different assumptions apply (e.g., the cost of annuity contracts or lump sums to participants) on plan termination.

Target normal cost for individual participants accruing benefits will grow from year to year as participants age (and as their salaries increase, if benefit accruals are pay related), but the changes in total target normal cost will depend on the numbers of participants earning benefits and their ages. Because the number and ages of active participants covered by the plan are not expected to change significantly from year to year, target normal cost is expected to increase as salaries increase. Of course, changes in discount rates and other assumptions in future years will also influence the pattern of future required contributions.

## 2.6 Calculation of estimated maximum deductible contribution

All monetary amounts shown in US Dollars

Based on Plan Year		2019
<b>A Basic Maximum</b>		
1	Funding target	4,247,381,107
2	Target normal cost	94,230,563
3	Actuarial value of plan assets	4,830,563,331
4	50% of funding target	2,123,690,554
5	Additional funding target for future compensation or benefit increases	129,755,683
6	Basic maximum deductible contribution	1,764,494,576
<b>B At-risk Maximum<sup>1</sup></b>		
1	Funding target (at-risk assumptions)	N/A
2	Target normal cost (at-risk assumptions)	N/A
3	Actuarial value of plan assets	N/A
4	At-risk maximum deductible contribution	N/A
<b>C Minimum Required Contribution</b>		94,230,563
<b>D Estimated Maximum Deductible Contribution</b>		1,764,494,576

The estimated maximum deductible contribution applies to the tax year in which the plan year ends, and is based on our understanding of IRC §404(a)(1). No regulatory guidance has been provided by the IRS/Treasury. Allocations of costs to inventory have not been considered, and amounts deductible for state income tax purposes may differ. Deductibility can be influenced by timing of contributions, differences between fiscal year and plan year, and differences (if any) between the years to which prior contributions were assigned for minimum funding purposes and the years in which they were deducted. Our results have not been adjusted for non-deducted contributions included in the valuation assets, nor is it clear that such adjustment is appropriate post-PPA. We recommend the plan sponsor review with tax counsel the tax-deductibility of all contributions as Willis Towers Watson does not provide legal or tax advice.

The calculation above reflects stabilized interest rates (including their effect on at-risk status), which is not required in determining the maximum deductible contribution. Not reflecting such corridors would likely result in a higher maximum deductible amount, but would require substantial additional work that may not be of value to the Company. We can discuss not reflecting the corridors if the Company wishes to consider contributions in excess of the estimated maximum amount above.

In addition, the actuarial value of plan assets shown is the same as used for determining the minimum required contribution. Thus contributions receivable (if any) are discounted at stabilized rates, and the limit on the expected return on assets reflected in asset smoothing (if applicable) is the 3rd segment

<sup>1</sup> At-risk maximum applies only for plans not in at-risk status for purposes of determining maximum deductible contributions for the plan year

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
2019 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	"Other" Cost			Net Periodic Pension Cost
					Expected Return on Assets	Amortizations PSC	Total "Other" Cost	
140 Appalachian Power Co - Distribution	\$316,910,978	\$320,799,881	\$5,499,134	\$13,376,114	(\$19,500,902)	\$0	\$3,706,249	\$3,080,595
215 Appalachian Power Co - Generation	253,274,190	272,572,012	3,892,040	10,652,528	(16,569,208)	0	2,962,022	937,382
150 Appalachian Power Co - Transmission	26,608,546	17,730,852	0	1,097,060	(1,077,830)	0	311,185	330,415
Appalachian Power Co - FERC	\$596,793,714	\$611,102,745	\$9,391,174	\$25,125,702	(\$37,147,940)	\$0	\$6,979,456	\$4,348,392
225 Cedar Coal Co	2,310,275	4,708,014	0	94,415	(286,192)	0	27,018	(164,759)
Appalachian Power Co - SEC	\$599,103,989	\$615,810,759	\$9,391,174	\$25,220,117	(\$37,434,132)	\$0	\$7,006,474	\$4,183,633
211 AEP Texas Central Company - Distribution	282,454,604	283,728,201	5,573,241	11,877,454	(17,247,375)	0	3,303,285	3,506,605
147 AEP Texas Central Company - Generation	2,318,684	12,671,150	0	93,803	(770,259)	0	27,117	(649,339)
169 AEP Texas Central Company - Transmission	32,077,107	29,504,959	964,617	1,366,683	(1,793,558)	0	375,139	912,881
AEP Texas Central Co	\$316,850,395	\$325,904,310	\$6,537,858	\$13,337,940	(\$19,811,192)	\$0	\$3,705,541	\$3,770,147
119 AEP Texas North Company - Distribution	66,770,630	61,813,591	1,562,282	2,820,218	(3,757,547)	0	780,877	1,405,830
166 AEP Texas North Company - Generation	15,940,882	24,682,893	0	653,713	(1,500,433)	0	186,427	(660,293)
192 AEP Texas North Company - Transmission	12,447,287	12,612,819	522,574	538,660	(766,713)	0	145,570	440,091
AEP Texas North Co.	\$95,158,799	\$99,109,303	\$2,084,856	\$4,012,591	(\$6,024,693)	\$0	\$1,112,874	(\$899,228)
AEP Texas	\$412,009,194	\$425,013,613	\$8,622,714	\$17,350,531	(\$25,835,885)	\$0	\$4,818,415	\$4,955,775
170 Indiana Michigan Power Co - Distribution	154,368,924	169,048,680	3,009,827	6,527,628	(10,276,194)	0	1,805,333	1,066,594
132 Indiana Michigan Power Co - Generation	91,478,365	109,503,149	1,426,838	3,854,638	(6,656,518)	0	1,069,832	(305,210)
190 Indiana Michigan Power Co - Nuclear	242,678,243	253,906,728	7,271,518	10,426,366	(15,434,576)	0	2,838,103	5,101,411
120 Indiana Michigan Power Co - Transmission	35,955,265	34,110,008	714,305	1,526,636	(2,073,492)	0	420,494	(126,362)
280 Ind Mich River Transp Lalon	34,166,193	37,773,684	861,213	1,455,667	(2,296,201)	0	399,571	420,250
Indiana Michigan Power Co - SEC	\$558,646,990	\$604,342,249	\$13,283,701	\$23,790,935	(\$36,736,981)	\$0	\$6,533,333	\$6,870,988
110 Kentucky Power Co - Distribution	75,961,842	68,166,810	1,295,133	3,194,648	(4,143,749)	0	888,368	1,234,400
117 Kentucky Power Co - Generation	29,323,763	30,288,857	213,835	1,224,794	(1,841,210)	0	342,939	(59,642)
180 Kentucky Power Co - Transmission	2,804,040	1,043,194	0	115,985	(63,414)	0	32,793	85,364
600 Kentucky Power Co - Kammer Actives	3,069,023	5,487,862	0	128,000	(333,598)	0	35,892	(169,706)
701 Kentucky Power Co - Mitchell Actives	28,915,920	31,750,035	1,333,248	1,280,531	(1,930,033)	0	338,169	(311,333)
702 Kentucky Power Co - Mitchell Inactives	32,588,852	42,741,859	0	1,345,961	(2,598,208)	0	381,124	(871,123)
Kentucky Power Co	\$172,663,440	\$179,478,617	\$2,842,216	\$7,289,919	(\$10,910,212)	\$0	\$2,019,285	\$1,601,008
250 Ohio Power Co - Distribution	414,546,464	445,067,541	7,890,747	17,495,062	(27,054,931)	0	4,848,089	3,178,967
160 Ohio Power Co - Transmission	38,011,389	37,028,545	10,300	1,561,330	(2,250,905)	0	444,540	(234,735)
Ohio Power Co	\$452,557,853	\$482,096,086	\$7,901,047	\$19,056,392	(\$29,305,836)	\$0	\$5,292,629	\$2,944,232
167 Public Service Co of Oklahoma - Distribution	150,704,548	164,232,811	3,698,685	6,375,926	(9,983,445)	0	1,762,478	1,853,644
198 Public Service Co of Oklahoma - Generation	78,183,951	83,887,060	2,172,175	3,319,785	(5,099,358)	0	914,355	1,306,957
114 Public Service Co of Oklahoma - Transmission	18,106,756	19,864,621	622,026	782,167	(1,207,538)	0	211,757	(213,614)
Public Service Co. of Oklahoma	\$246,995,255	\$267,984,492	\$6,492,886	\$10,477,878	(\$16,290,341)	\$0	\$2,888,590	\$3,569,013
159 Southwestern Electric Power Co - Distribution	105,700,343	107,252,914	2,885,668	4,483,055	(6,519,730)	0	1,236,157	2,085,150
168 Southwestern Electric Power Co - Generation	120,123,705	115,474,527	3,833,267	5,117,067	(7,019,508)	0	1,404,837	3,335,663
161 Southwestern Electric Power Co - Texas - Distribution	49,930,610	51,674,106	1,270,389	2,117,630	(3,141,185)	0	583,935	830,769
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	13,923,951	16,167,676	555,847	606,878	(982,807)	0	162,840	342,758
Southwestern Electric Power Co	\$289,678,609	\$290,569,223	\$8,545,171	\$12,324,630	(\$17,663,230)	\$0	\$3,387,769	\$1,950,831
230 Kingsport Power Co - Distribution	13,329,385	13,573,169	261,324	566,413	(825,091)	0	155,886	158,532
260 Kingsport Power Co - Transmission	1,992,952	1,351,271	0	81,701	(82,142)	0	23,307	22,866
Kingsport Power Co	\$15,322,337	\$14,924,440	\$261,324	\$648,114	(\$907,233)	\$0	\$179,193	\$181,398
210 Wheeling Power Co - Distribution	14,068,664	16,279,038	296,210	596,513	(989,576)	0	164,532	67,679
200 Wheeling Power Co - Transmission	385,673	736,992	0	15,257	(44,801)	0	4,510	(25,034)
Wheeling Power Co.	\$14,454,337	\$17,016,030	\$296,210	\$611,770	(\$1,034,377)	\$0	\$169,042	\$42,645
103 American Electric Power Service Corporation	1,672,944,820	1,454,195,624	34,809,257	70,705,754	(88,398,183)	0	19,564,962	36,681,790
293 Elmwood	1,166,688	5,642,412	0	47,247	(342,993)	0	13,644	(282,102)
292 AEP River Operations LLC	13,826,831	50,916,883	0	535,141	(3,095,154)	0	161,704	(2,398,309)
American Electric Power Service Corp	\$1,687,938,339	\$1,510,754,919	\$34,809,257	\$71,288,142	(\$91,836,330)	\$0	\$19,740,310	\$34,001,379
270 Cook Coal Terminal	2,853,691	4,403,278	91,759	123,218	(267,668)	0	33,374	(19,317)
AEP Generating Company	\$2,853,691	\$4,403,278	\$91,759	\$123,218	(\$267,668)	\$0	\$33,374	(\$19,317)
104 Cardinal Operating Company	65,124,092	93,948,347	0	2,694,782	(5,710,967)	0	761,621	(2,254,564)
181 Ohio Power Co - Generation	236,547,053	345,477,869	996,484	9,783,415	(21,001,037)	0	2,766,399	(7,454,739)
AEP Generation Resources - FERC	\$301,671,145	\$439,426,216	\$996,484	\$12,478,197	(\$26,712,004)	\$0	\$3,528,020	(\$9,709,303)
290 Conesville Coal Preparation Company	2,690,254	4,372,173	0	110,176	(265,777)	0	31,462	(124,139)
AEP Generation Resources - SEC	\$304,361,399	\$443,798,389	\$996,484	\$12,588,373	(\$26,977,781)	\$0	\$3,559,482	(\$9,833,442)
171 CSW Energy, Inc	2,670,226	2,560,228	0	111,399	(155,632)	0	31,228	(13,005)
175 AEP Energy Partners	11,416,224	8,940,698	607,711	511,063	(543,490)	0	133,512	708,796
419 Onsite Partners	825,228	430,089	114,034	40,197	(26,144)	0	9,651	137,738
AEP Energy Supply	\$319,273,077	\$455,729,404	\$1,718,229	\$13,251,032	(\$27,703,047)	\$0	\$3,733,873	(\$8,999,913)
143 AEP Pro Serv, Inc	1,044,020	943,243	0	43,845	(57,338)	0	12,210	(1,283)
AEP Pro Serv, Inc.	\$1,044,020	\$943,243	\$0	\$43,845	(\$57,338)	\$0	\$12,210	(\$1,283)
245 Dolet Hills	5,216,546	3,366,813	1,273,723	277,808	(204,663)	0	61,007	1,407,875
Dolet Hills	\$5,216,546	\$3,366,813	\$1,273,723	\$277,808	(\$204,663)	\$0	\$61,007	\$1,407,875
Total	\$4,777,757,677	\$4,872,433,166	\$95,529,411	\$201,754,331	(\$296,187,273)	\$0	\$55,875,504	\$56,971,973
Total without Dolet Hills	\$4,772,541,131	\$4,869,066,353	\$94,255,688	\$201,476,523	(\$295,982,610)	\$0	\$55,814,497	\$55,564,098

AMERICAN ELECTRIC POWER  
QUALIFIED PENSION PLAN  
ACTUAL 2020 NET PERIODIC PENSION COST

Location	SERVICE (Operating)		NON-SERVICE (Non-Operating)				GRAND TOTAL
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost Amortization	Gain/Loss Amortization	Non-Service Total	
140 Appalachian Power Co - Distribution	\$6,278,752	\$10,832,051	(\$17,505,482)	\$0	\$5,973,310	(\$700,121)	\$5,578,631
215 Appalachian Power Co - Generation	4,160,192	8,510,457	(14,916,888)	0	4,717,094	(\$1,689,337)	2,470,855
150 Appalachian Power Co - Transmission	0	854,385	(922,328)	0	481,529	\$413,586	413,586
Appalachian Power Co - FERC	<u>\$10,438,944</u>	<u>\$20,196,893</u>	<u>(\$33,344,698)</u>	<u>\$0</u>	<u>\$11,171,933</u>	<u>(\$1,975,872)</u>	<u>\$8,463,072</u>
225 Cedar Coal Co	0	73,243	(264,836)	0	41,568	(150,025)	(150,025)
Appalachian Power Co - SEC	<u>\$10,438,944</u>	<u>\$20,270,136</u>	<u>(\$33,609,534)</u>	<u>\$0</u>	<u>\$11,213,501</u>	<u>(\$2,125,897)</u>	<u>\$8,313,047</u>
211 AEP Texas Central Company - Distribution	\$6,440,496	\$9,474,043	(\$15,188,388)	\$0	\$5,266,999	(\$447,346)	\$5,993,150
147 AEP Texas Central Company - Generation	0	70,497	(731,680)	0	40,570	(620,613)	(620,613)
169 AEP Texas Central Company - Transmission	1,129,132	1,122,497	(1,541,131)	0	616,540	197,906	1,327,038
AEP Texas Central Co	<u>\$7,569,628</u>	<u>\$10,667,037</u>	<u>(\$17,461,199)</u>	<u>\$0</u>	<u>\$5,924,109</u>	<u>(\$870,053)</u>	<u>\$6,699,575</u>
119 AEP Texas North Company - Distribution	\$1,825,961	\$2,263,611	(\$3,286,505)	\$0	\$1,248,372	225,478	\$2,051,439
166 AEP Texas North Company - Generation	0	471,616	(1,373,334)	0	267,229	(634,489)	(634,489)
192 AEP Texas North Company - Transmission	634,351	432,753	(657,423)	0	234,139	9,469	643,820
AEP Texas North Co	<u>\$2,460,312</u>	<u>\$3,167,980</u>	<u>(\$5,317,262)</u>	<u>\$0</u>	<u>\$1,749,740</u>	<u>(\$399,542)</u>	<u>\$2,060,770</u>
AEP Texas	<u>\$10,029,940</u>	<u>\$13,835,017</u>	<u>(\$22,778,461)</u>	<u>\$0</u>	<u>\$7,673,849</u>	<u>(\$1,269,595)</u>	<u>\$8,760,345</u>
170 Indiana Michigan Power Co - Distribution	\$3,568,120	\$5,236,686	(\$9,214,342)	\$0	\$2,879,266	(\$1,098,390)	\$2,469,730
132 Indiana Michigan Power Co - Generation	1,578,605	3,117,633	(6,069,212)	0	1,721,856	(1,229,723)	348,882
190 Indiana Michigan Power Co - Nuclear	8,331,914	8,816,468	(14,006,741)	0	4,786,026	(404,247)	7,927,667
120 Indiana Michigan Power Co - Transmission	923,790	1,262,550	(1,791,346)	0	689,759	80,963	1,004,753
280 Ind Mich River Transp Lakin	908,347	1,160,732	(2,072,376)	0	639,191	(272,453)	635,894
Indiana Michigan Power Co - SEC	<u>\$15,310,776</u>	<u>\$19,594,069</u>	<u>(\$33,234,017)</u>	<u>\$0</u>	<u>\$10,716,098</u>	<u>(\$2,923,850)</u>	<u>\$12,386,926</u>
110 Kentucky Power Co - Distribution	\$1,535,362	\$2,671,271	(\$3,683,962)	\$0	\$1,475,635	\$462,944	\$1,998,306
117 Kentucky Power Co - Generation	181,228	925,003	(1,659,490)	0	513,970	(220,517)	(39,289)
180 Kentucky Power Co - Transmission	0	93,614	(49,703)	0	52,548	96,459	96,459
600 Kentucky Power Co - Kammer Actives	0	106,336	(312,759)	0	61,648	(144,775)	(144,775)
701 Kentucky Power Co - Mitchell Actives	1,398,561	935,430	(1,481,518)	0	491,954	(54,134)	1,344,427
702 Kentucky Power Co - Mitchell Inactives	0	1,236,777	(2,703,583)	0	694,764	(772,042)	(772,042)
Kentucky Power Co	<u>\$3,115,151</u>	<u>\$5,968,431</u>	<u>(\$9,891,015)</u>	<u>\$0</u>	<u>\$3,290,519</u>	<u>(\$632,065)</u>	<u>\$2,483,086</u>
250 Ohio Power Co - Distribution	\$9,613,793	\$14,200,722	(\$24,287,387)	\$0	\$7,813,304	(\$2,273,361)	\$7,340,432
160 Ohio Power Co - Transmission	12,649	1,208,517	(1,993,097)	0	683,565	(101,015)	(88,366)
Ohio Power Co	<u>\$9,626,442</u>	<u>\$15,409,239</u>	<u>(\$26,280,484)</u>	<u>\$0</u>	<u>\$8,496,869</u>	<u>(\$2,374,376)</u>	<u>\$7,252,066</u>
167 Public Service Co of Oklahoma - Distribution	\$4,178,296	\$5,194,591	(\$8,963,901)	\$0	\$2,852,045	(\$917,265)	\$3,261,031
198 Public Service Co of Oklahoma - Generation	2,362,553	2,651,129	(4,534,526)	0	1,460,589	(422,808)	1,959,745
114 Public Service Co of Oklahoma - Transmission	717,651	638,014	(1,072,126)	0	342,860	(91,252)	626,408
Public Service Co of Oklahoma	<u>\$7,278,510</u>	<u>\$8,483,734</u>	<u>(\$14,570,553)</u>	<u>\$0</u>	<u>\$4,655,494</u>	<u>(\$1,431,325)</u>	<u>\$5,847,185</u>
159 Southwestern Electric Power Co - Distribution	\$3,400,330	\$3,738,314	(\$5,774,878)	\$0	\$2,056,389	\$19,825	\$3,420,155
188 Southwestern Electric Power Co - Generation	4,317,273	4,236,145	(6,163,713)	0	2,322,305	383,737	4,711,010
161 Southwestern Electric Power Co - Texas - Distribution	1,443,804	1,653,595	(2,753,108)	0	910,344	(189,169)	1,254,635
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	720,594	548,221	(947,547)	0	292,293	(107,033)	613,561
Southwestern Electric Power Co	<u>\$9,882,001</u>	<u>\$10,175,275</u>	<u>(\$15,639,246)</u>	<u>\$0</u>	<u>\$5,581,331</u>	<u>\$117,360</u>	<u>\$9,999,361</u>
230 Kingsport Power Co - Distribution	\$303,475	\$484,182	(\$762,550)	\$0	\$264,890	(\$13,478)	\$289,997
260 Kingsport Power Co - Transmission	0	63,883	(69,383)	0	36,202	30,682	30,682
Kingsport Power Co	<u>\$303,475</u>	<u>\$548,045</u>	<u>(\$831,933)</u>	<u>\$0</u>	<u>\$301,092</u>	<u>\$17,204</u>	<u>\$320,679</u>
210 Wheeling Power Co - Distribution	\$335,947	\$475,040	(\$869,548)	\$0	\$260,336	(\$134,172)	\$201,775
200 Wheeling Power Co - Transmission	0	10,807	(40,036)	0	6,357	(22,872)	(22,872)
Wheeling Power Co	<u>\$335,947</u>	<u>\$485,847</u>	<u>(\$909,584)</u>	<u>\$0</u>	<u>\$266,693</u>	<u>(\$157,044)</u>	<u>\$178,903</u>
103 American Electric Power Service Corporation	\$41,666,673	\$59,819,815	(\$78,387,680)	\$0	\$32,975,637	\$14,407,772	\$56,074,445
293 Elmwood	0	39,800	(325,044)	0	23,023	(262,221)	(262,221)
292 AEP River Operations LLC	0	418,062	(2,847,680)	0	243,309	(2,186,309)	(2,186,309)
American Electric Power Service Corp	<u>\$41,666,673</u>	<u>\$60,277,677</u>	<u>(\$78,560,404)</u>	<u>\$0</u>	<u>\$33,241,969</u>	<u>\$11,959,242</u>	<u>\$53,625,915</u>
270 Cook Coal Terminal	\$138,653	\$108,788	(\$246,339)	\$0	\$58,101	(\$79,450)	\$59,203
AEP Generating Company	<u>\$138,653</u>	<u>\$108,788</u>	<u>(\$246,339)</u>	<u>\$0</u>	<u>\$58,101</u>	<u>(\$79,450)</u>	<u>\$59,203</u>
104 Cardinal Operating Company	\$2,737	\$2,125,684	(\$5,233,503)	\$0	\$1,191,498	(\$1,916,321)	(\$1,913,584)
181 Ohio Power Co - Generation	607,134	7,456,434	(19,142,976)	0	4,196,245	(7,490,297)	(6,883,163)
AEP Generation Resources - FERC	<u>\$609,871</u>	<u>\$9,582,118</u>	<u>(\$24,376,479)</u>	<u>\$0</u>	<u>\$5,387,743</u>	<u>(\$9,406,818)</u>	<u>(\$8,796,747)</u>
290 Conesville Coal Preparation Company	0	86,513	(243,553)	0	49,037	(108,003)	(108,003)
AEP Generation Resources - SEC	<u>\$609,871</u>	<u>\$9,668,631</u>	<u>(\$24,620,032)</u>	<u>\$0</u>	<u>\$5,436,780</u>	<u>(\$9,514,821)</u>	<u>(\$8,904,750)</u>
171 CSW Energy Inc	0	89,612	(142,111)	0	50,307	(2,192)	(2,192)
175 AEP Energy Partners	1,528,325	520,871	(500,479)	0	258,164	278,556	1,806,881
419 Onsite Partners	168,056	43,107	(20,078)	0	20,576	43,605	211,661
AEP Energy Supply	<u>\$2,306,252</u>	<u>\$10,322,221</u>	<u>(\$25,282,700)</u>	<u>\$0</u>	<u>\$5,765,827</u>	<u>(\$9,194,652)</u>	<u>(\$6,888,400)</u>
143 AEP Pro Serv, Inc	\$0	\$37,261	(\$52,902)	\$0	\$20,597	\$4,956	\$4,956
AEP Pro Serv, Inc.	<u>\$0</u>	<u>\$37,261</u>	<u>(\$52,902)</u>	<u>\$0</u>	<u>\$20,597</u>	<u>\$4,956</u>	<u>\$4,956</u>
245 Dolet Hills	1,104,255	233,518	(190,277)	0	110,166	153,407	1,257,662
Dolet Hills	<u>\$1,104,255</u>	<u>\$233,518</u>	<u>(\$190,277)</u>	<u>\$0</u>	<u>\$110,166</u>	<u>\$153,407</u>	<u>\$1,257,662</u>
Total	<u>\$111,537,019</u>	<u>\$165,749,258</u>	<u>(\$265,077,449)</u>	<u>\$0</u>	<u>\$91,392,106</u>	<u>(\$7,936,085)</u>	<u>\$103,600,934</u>
Total without Dolet Hills	<u>\$110,432,764</u>	<u>\$165,515,740</u>	<u>(\$264,887,172)</u>	<u>\$0</u>	<u>\$91,281,940</u>	<u>(\$8,089,492)</u>	<u>\$102,343,272</u>

Key Assumptions as of January 1, 2020

Discount rate	3.25%
Valuation date	1/1/2020
Mortality base table	Pn-2012 (using contingent survivor tables after retiree death for annuitants), without collar or quartile adjustment
Mortality projection scale	MP-2019 adjusted with long-term rate multiplied by 0.75
Expected return on assets	5.75%
Interest crediting rate	4.00%

SOUTHWESTERN ELECTRIC POWER COMPANY  
POSTRETIREMENT BENEFITS OTHER THAN PENSION  
FOR THE TEST PERIOD ENDED MARCH 31, 2020

1. The Company is requesting postretirement benefits other than pension (OPEB) expense based on a Generally Accepted Accounting Principles (GAAP) calculation in accordance with FAS 106.
2. The Company's FAS 106 OPEB benefits consist of medical, prescription drug, dental, and life insurance benefits. Amounts included in the requested cost of service are based on the 2020 FAS 106 actuarial forecast. A copy of the Company's actuarial valuation update by function is attached.

FAS 106 OPEB benefits do not include any amounts payable to employees after termination but before retirement, as such amounts are covered separately under FAS 112.

3. The Company's FAS 106 present costs (expensed and capitalized) per GAAP and actual funded amounts for each of the three most recent calendar years are shown in the table below. Supporting pages of the actuarial reports for the FAS 106 cost amounts are attached on the following pages. No Company contributions were made in 2017 or 2019. The contribution for 2018 is shown below. See also 2018 FAS 106 actuarial report pages attached.

OPEB Expense per GAAP

	FAS 106 OPEB Cost	Less Amount Capitalized	FAS 106 Expense	OPEB Contributions
2017	(4,741,000)	1,223,937	(3,517,063)	-
2018	(7,260,696)	2,249,364	(5,011,332)	2,681,291
2019	(5,889,982)	1,782,250	(4,107,732)	-
2020	(7,753,163)	2,348,269	(5,404,894)	

4. The transition obligation upon initial implementation of FAS 106 in January 1993 was fully amortized as of March 31, 2020. As of March 31, 2020, no unrecognized transition obligation remains.
5. The Company will provide updates if there are any changes to the actuarial information and actual OPEB payments as presented in Items 3 and 4 above.
6. The Company's policy is to contribute to a trust fund the amount of FAS 106 cost as determined by the actuary and recorded on the Company's books. The Company also contributes to the trust fund Medicare subsidy receipts. Benefit payments to retirees are not recorded by the Company but rather are paid from the trust fund. Expected retiree benefit payments from the trust fund are shown on the actuarial report pages referred to in Item 2 above.

SOUTHWESTERN ELECTRIC POWER COMPANY  
PBOP Expense  
For the test year ended March 31, 2020

<b>NONUMWA</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
SWEPCO - Distribution	(\$1,668,464)	(2,625,787)	(2,089,820)	(2,777,880)
SWEPCO - Generation	(1,913,501)	(2,856,857)	(2,353,788)	(3,091,150)
SWEPCO - Texas Distribution	(890,873)	(1,372,730)	(1,120,476)	(1,455,136)
SWEPCO - Texas Transmission	0	0	0	0
SWEPCO - Transmission	(268,162)	(405,322)	(325,898)	(428,997)
<b>Total SWEPCO</b>	<b>(4,741,000)</b>	<b>(7,260,696)</b>	<b>(5,889,982)</b>	<b>(7,753,163)</b>
<b>Amount Capitalized</b>	1,223,937	2,249,364	1,782,250	2,348,269
<b>FAS 106 Expense</b>	(3,517,063)	(5,011,332)	(4,107,732)	(5,404,894)
O&M Percent	74%	69%	70%	70%
<b>Contributions</b>	-	2,681,291	-	-

**American Electric Power  
Non-UMWA Postretirement Health Care Plan  
Actuarial Valuation Report  
Postretirement Welfare Cost for Fiscal Year Ending  
December 31, 2017 under U.S. GAAP  
  
Employer Contributions for Plan Year Beginning  
January 1, 2017**

**May 2017**

**Willis Towers Watson** 

This report is confidential and intended solely for the information and benefit of the immediate recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Purpose and Actuarial Certification" section herein.

Sponsored by: Micahel Baird

**2870**

## Section 1: Summary of key results

### Benefit cost, assets & obligations

All monetary amounts shown in US Dollars

Fiscal Year Beginning		January 1, 2017	January 1, 2016
Benefit Cost/ (Income)	Net Periodic Postretirement Benefit Cost/(Income)	(65,457,797)	(76,551,152)
Measurement Date		January 1, 2017	January 1, 2016
Plan Assets	Fair Value of Assets (FVA)	1,524,265,466	1,551,820,304
Benefit Obligations	Accumulated Postretirement Benefit Obligation (APBO)	1,407,167,860	1,373,723,945
Funded Status	Funded Status	117,097,606	178,096,359
Accumulated Other Comprehensive (Income)/Loss	Net Transition Obligation/(Asset)	0	0
	Net Prior Service Cost/(Credit)	(480,557,744)	(549,183,980)
	Net Loss/(Gain)	631,850,248	563,454,160
	Total Accumulated Other Comprehensive (Income)/Loss	151,292,504	14,270,180
Assumptions <sup>1</sup>	Discount Rate	4.10%	4.30%
	Expected Long-term Return on Plan Assets	6.75%	7.00%
	Rate of Compensation/Salary Increase	Rates vary by age from 3.5% to 12.0%	Rates vary by age from 3.5% to 12.0%
	Current Health Care Cost Trend Rate	6.75%	7.00%
	Ultimate Health Care Cost Trend Rate	5.00%	5.00%
	Year of Ultimate Trend Rate	2024	2024
Participant Data	Census Date	January 1, 2017	January 1, 2016
Plan reporting (ASC 965) for Plan Year Beginning		January 1, 2017	January 1, 2016
	Present value of accumulated benefits	1,407,496,076	1,374,114,001
	Market value of assets	1,524,265,466	1,551,820,304
	Plan reporting discount rate	4.10%	4.30%
Employer Contributions (net of Medicare subsidy)		Plan Year 2017	Plan Year 2016
Cash Flow	Funding Policy contributions	0	0
	Maximum Tax Deductible contributions	151,019,924 (est)	135,777,968
	Actual contributions	N/A	0
	Expected benefit payments and expenses, net of participant contributions	100,168,816	97,338,870

### Employer Contributions

Employer contributions are the amounts paid by American Electric Power to provide for postretirement benefits, net of participant contributions and Medicare Part D payments. Most participants receiving benefits are required to contribute toward the cost of the plan.

<sup>1</sup> Rates are expressed on an annual basis where applicable

## Non-UMWA Postretirement Health Care Plan

## Schedule G-2.2

## Attachment 2

Page 3 of 31

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
2017 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$116,991,520	\$8,830,983	\$126,726,980	\$622,377	\$4,642,953	(\$8,277,590)	(\$5,097,397)	\$2,998,685	(\$5,110,972)
215 Appalachian Power Co - Generation	102,173,416	8,060,729	110,675,786	482,812	4,045,320	(7,229,154)	(4,162,884)	2,618,872	(4,245,034)
150 Appalachian Power Co - Transmission	12,115,892	812,362	13,124,117	3,162	480,395	(857,245)	(781,538)	310,550	(844,676)
Appalachian Power Co - FERC	\$231,280,828	\$17,704,094	\$250,526,883	\$1,108,351	\$9,168,668	(\$16,363,989)	(\$10,041,819)	\$5,928,107	(\$10,200,682)
225 Cedar Coal Co	708,042	86,484	766,962	0	27,275	(50,097)	(8,202)	18,148	(12,876)
Appalachian Power Co. - SEC	\$231,988,870	\$17,790,578	\$251,293,845	\$1,108,351	\$9,196,943	(\$16,414,086)	(\$10,050,021)	\$5,946,255	(\$10,213,558)
211 AEP Texas Central Company - Distribution	\$81,746,297	\$5,775,411	\$88,548,823	\$579,215	\$3,258,139	(\$5,783,858)	(\$3,881,048)	\$2,095,292	(\$3,732,260)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0	(15,337)
169 AEP Texas Central Company - Transmission	7,999,171	503,939	8,664,823	80,628	321,045	(565,971)	(391,921)	205,032	(351,187)
AEP Texas Central Co.	\$89,745,468	\$6,279,350	\$97,213,646	\$659,843	\$3,579,184	(\$6,349,829)	(\$4,288,306)	\$2,300,324	(\$4,098,784)
119 AEP Texas North Company - Distribution	23,942,898	1,697,256	25,935,309	171,714	954,255	(1,694,050)	(1,276,048)	613,098	(1,230,433)
166 AEP Texas North Company - Generation	6,354,865	543,718	6,883,686	0	249,515	(449,631)	(67,677)	162,886	(104,907)
192 AEP Texas North Company - Transmission	3,685,037	251,259	3,991,688	38,523	147,567	(260,730)	(233,844)	94,454	(214,030)
AEP Texas North Co.	\$33,982,800	\$2,492,233	\$36,810,683	\$210,237	\$1,351,337	(\$2,404,411)	(\$1,577,569)	\$871,036	(\$1,549,370)
AEP Texas	\$123,728,268	\$8,771,583	\$134,024,329	\$870,080	\$4,930,521	(\$8,754,240)	(\$5,865,875)	\$3,171,360	(\$5,648,154)
170 Indiana Michigan Power Co - Distribution	\$58,424,465	\$4,741,787	\$63,286,262	\$370,800	\$2,314,376	(\$4,133,751)	(\$2,601,438)	\$1,497,515	(\$2,552,498)
132 Indiana Michigan Power Co - Generation	35,580,896	2,967,958	38,541,784	195,505	1,406,600	(2,517,482)	(1,850,054)	911,997	(1,853,434)
190 Indiana Michigan Power Co - Nuclear	54,263,237	3,327,575	58,778,757	850,391	2,192,129	(3,839,328)	(3,561,730)	1,390,856	(2,967,682)
120 Indiana Michigan Power Co - Transmission	11,882,681	802,027	12,871,478	72,346	473,879	(840,743)	(596,815)	304,572	(586,761)
280 Ind Mich River Transp Lakin	12,674,647	807,325	13,729,369	137,599	508,918	(896,779)	(811,278)	324,872	(736,668)
Indiana Michigan Power Co. - FERC	\$172,825,906	\$12,646,672	\$187,207,630	\$1,626,641	\$6,895,902	(\$12,228,083)	(\$9,421,315)	\$4,429,812	(\$8,697,043)
202 Pnce River Coal	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$172,825,906	\$12,646,672	\$187,207,630	\$1,626,641	\$6,895,902	(\$12,228,083)	(\$9,421,315)	\$4,429,812	(\$8,697,043)
110 Kentucky Power Co - Distribution	\$21,359,703	\$1,470,910	\$23,137,153	\$130,590	\$851,251	(\$1,511,279)	(\$1,210,578)	\$547,484	(\$1,192,532)
117 Kentucky Power Co - Generation	14,820,055	1,274,153	16,053,307	26,082	582,834	(1,048,575)	(811,828)	379,862	(671,625)
180 Kentucky Power Co - Transmission	1,266,458	88,862	1,371,846	160	50,128	(89,607)	(198,150)	32,461	(205,008)
600 Kentucky Power Co - Kammer Actives	138,260	735	149,765	1,209	5,703	(9,782)	(42,530)	3,544	(41,856)
701 Kentucky Power Co - Mitchell Actives	5,336,190	28,146	5,780,242	174,052	225,349	(377,556)	(160,767)	136,775	(2,147)
702 Kentucky Power Co - Mitchell Inactives	11,351,656	1,126,049	12,296,285	0	442,566	(803,172)	(200,743)	290,962	(270,387)
Kentucky Power Co.	\$54,272,322	\$3,988,855	\$58,788,598	\$332,093	\$2,157,831	(\$3,839,971)	(\$2,424,596)	\$1,391,088	(\$2,383,555)
250 Ohio Power Co - Distribution	\$150,963,463	\$11,496,303	\$163,525,902	\$892,519	\$5,992,788	(\$10,681,233)	(\$5,890,962)	\$3,869,441	(\$5,817,447)
160 Ohio Power Co. - Transmission	18,319,950	1,330,526	19,844,446	4,519	724,301	(1,296,205)	(1,031,548)	469,570	(1,129,363)
Ohio Power Co.	\$169,283,413	\$12,826,829	\$183,370,348	\$897,038	\$6,717,089	(\$11,977,438)	(\$6,922,510)	\$4,339,011	(\$6,946,810)
167 Public Service Co. of Oklahoma - Distribution	\$49,568,660	\$3,599,156	\$53,693,521	\$385,635	\$1,975,085	(\$3,507,169)	(\$2,477,659)	\$1,270,526	(\$2,353,582)
198 Public Service Co. of Oklahoma - Generation	23,548,211	1,549,259	25,507,778	260,604	944,721	(1,666,125)	(1,498,642)	603,579	(1,355,863)
114 Public Service Co. of Oklahoma - Transmission	5,853,513	442,090	6,340,614	49,151	233,037	(414,158)	(313,349)	150,035	(295,284)
Public Service Co. of Oklahoma	\$78,970,384	\$5,590,505	\$85,641,913	\$695,390	\$3,152,843	(\$5,587,452)	(\$4,289,650)	\$2,024,140	(\$4,004,729)
159 Southwestern Electric Power Co. - Distribution	\$34,449,684	\$2,222,814	\$37,316,418	\$301,265	\$1,379,679	(\$2,437,445)	(\$1,794,965)	\$883,002	(\$1,668,464)
168 Southwestern Electric Power Co - Generation	33,272,273	2,168,484	36,041,028	389,385	1,336,121	(2,354,139)	(2,137,691)	852,823	(1,913,503)
161 Southwestern Electric Power Co - Texas - Distribution	16,268,720	1,084,596	17,622,523	135,325	650,555	(1,151,073)	(942,674)	416,994	(890,873)
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,184,540	381,600	5,615,972	39,538	206,443	(366,826)	(280,205)	132,888	(268,162)
Southwestern Electric Power Co.	\$89,175,217	\$5,857,494	\$96,595,941	\$865,513	\$3,572,798	(\$6,309,483)	(\$5,155,535)	\$2,285,707	(\$4,741,000)
230 Kingsport Power Co - Distribution	\$4,656,100	\$325,558	\$5,043,558	\$35,154	\$185,735	(\$329,437)	(\$177,403)	\$119,343	(\$166,608)
260 Kingsport Power Co - Transmission	584,548	50,869	633,191	0	22,934	(41,359)	(40,419)	14,983	(43,861)
Kingsport Power Co.	\$5,240,648	\$376,427	\$5,676,749	\$35,154	\$208,669	(\$370,796)	(\$217,822)	\$134,326	(\$210,469)
210 Wheeling Power Co - Distribution	\$6,133,036	\$478,604	\$6,643,397	\$31,565	\$243,036	(\$433,935)	(\$259,071)	\$157,200	(\$261,205)
200 Wheeling Power Co - Transmission	352,830	48,586	382,191	0	13,480	(24,964)	(2,613)	9,044	(5,053)
Wheeling Power Co.	\$6,485,866	\$527,190	\$7,025,588	\$31,565	\$256,516	(\$458,899)	(\$261,684)	\$166,244	(\$266,258)
103 American Electric Power Service Corporation	\$325,579,141	\$20,019,830	\$352,672,237	\$3,283,045	\$13,077,066	(\$23,035,948)	(\$17,282,221)	\$8,345,126	(\$15,612,932)
293 Elmwood	925,176	69,651	1,002,165	0	36,519	(65,460)	(276,067)	23,714	(281,294)
292 AEP River Operations LLC	5,508,526	449,995	5,966,919	0	216,717	(389,749)	(1,245,634)	141,193	(1,277,473)
American Electric Power Service Corporation	\$332,012,843	\$20,539,476	\$359,641,321	\$3,283,045	\$13,330,302	(\$23,491,157)	(\$18,803,922)	\$8,510,033	(\$17,171,699)
143 AEP Pro Serv, Inc	\$147,537	\$20,687	\$159,814	\$0	\$5,629	(\$10,439)	(\$1,133)	\$3,782	(\$2,161)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
Miscellaneous	\$147,537	\$20,687	\$159,814	\$0	\$5,629	(\$10,439)	(\$1,133)	\$3,782	(\$2,161)
270 Cook Coal Terminal	\$1,347,230	\$129,036	\$1,459,340	\$4,206	\$52,790	(\$95,322)	(\$67,747)	\$34,532	(\$71,541)
AEP Generating Company	\$1,347,230	\$129,036	\$1,459,340	\$4,206	\$52,790	(\$95,322)	(\$67,747)	\$34,532	(\$71,541)
104 Cardinal Operating Company	\$22,856,790	\$1,617,448	\$24,758,820	\$196,968	\$912,379	(\$1,617,204)	(\$1,116,823)	\$585,857	(\$1,038,823)
181 Ohio Power Co - Generation	111,641,546	9,274,109	120,931,808	354,568	4,403,631	(7,899,060)	(4,359,566)	2,861,556	(4,638,871)
AEP Generation Resources - FERC	\$134,498,336	\$10,891,557	\$145,690,628	\$551,536	\$5,316,010	(\$9,516,264)	(\$5,476,389)	\$3,447,413	(\$5,677,694)
290 Conesville Coal Preparation Company	1,360,789	117,837	1,474,027	0	53,401	(96,281)	(51,555)	34,879	(59,556)
AEP Generation Resources - SEC	\$135,859,125	\$11,009,394	\$147,164,655	\$551,536	\$5,369,411	(\$9,612,545)	(\$5,527,944)	\$3,482,292	(\$5,737,250)
175 AEP Energy Partners	849,843	5,333	920,563	48,228	36,713	(60,130)	(31,686)	21,783	14,908
171 CSW Energy, Inc	493,431	19,921	534,492	0	19,826	(34,912)	(15,366)	12,647	(17,805)
419 Onsite Partners	1,788	0	1,937	182	81	(127)	0	46	182
AEP Energy Supply	\$137,204,187	\$11,034,648	\$148,621,647	\$599,946	\$5,426,031	(\$9,707,714)	(\$5,574,996)	\$3,516,768	(\$5,739,965)
245 Dolet Hills	\$4,485,169	\$68,836	\$4,858,403	\$219,463	\$191,493	(\$317,343)	\$430,570	\$114,962	\$639,145
Dolet Hills	\$4,485,169	\$68,836	\$4,858,403	\$219,463	\$191,493	(\$317,343)	\$430,570	\$114,962	\$639,145
Total	\$1,407,167,860	\$100,168,816	\$1,524,265,466	\$10,568,485	\$56,094,357	(\$99,562,423)	(\$68,626,236)	\$36,068,020	(\$65,457,797)

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**American Electric Power  
Non-UMWA Postretirement Health Care Plan  
Actuarial Valuation Report  
Postretirement Welfare Cost for Fiscal Year Ending  
December 31, 2018 under U.S. GAAP  
  
Employer Contributions for Plan Year Beginning  
January 1, 2018**

**May 2018**

**WillisTowersWatson** 

This report is confidential and intended solely for the information and benefit of the immediate recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Purpose and Actuarial Certification" section herein.

Non-UMWA Postretirement Health Care Plan

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## Section 1: Summary of key results

### Benefit cost, assets & obligations

All monetary amounts shown in US Dollars

Fiscal Year Beginning		January 1, 2018	January 1, 2017
<b>Benefit Cost/ (Income)</b>	Net Periodic Postretirement Benefit Cost/(Income)	(104,871,882)	(65,457,797)
Measurement Date		January 1, 2018	January 1, 2017
<b>Plan Assets</b>	Fair Value of Assets (FVA)	1,708,647,946	1,524,265,466
<b>Benefit Obligations</b>	Accumulated Postretirement Benefit Obligation (APBO)	1,251,302,431	1,407,167,860
<b>Funded Status</b>	Funded Status	457,345,515	117,097,606
<b>Accumulated Other Comprehensive (Income)/Loss</b>	Net Transition Obligation/(Asset)	0	0
	Net Prior Service Cost/(Credit)	(411,931,508)	(480,557,744)
	Net Loss/(Gain)	287,986,950	631,850,248
	Total Accumulated Other Comprehensive (Income)/Loss	(123,944,558)	151,292,504
<b>Assumptions<sup>1</sup></b>	Discount Rate	3.60%	4.10%
	Expected Long-term Return on Plan Assets	6.00%	6.75%
	Rate of Compensation/Salary Increase	Rates vary by age from 3.5% to 12.0%	Rates vary by age from 3.5% to 12.0%
	Current Health Care Cost Trend Rate	6.50%	6.75%
	Ultimate Health Care Cost Trend Rate	5.00%	5.00%
	Year of Ultimate Trend Rate	2024	2024
<b>Participant Data</b>	Census Date	January 1, 2018	January 1, 2017
Plan reporting (ASC 965) for Plan Year Beginning		January 1, 2018	January 1, 2017
	Present value of accumulated benefits	1,251,302,431	1,407,496,076
	Market value of assets	1,708,647,946	1,524,265,466
	Plan reporting discount rate	3.60%	4.10%
Employer Contributions (net of Medicare subsidy)		Plan Year 2018	Plan Year 2017
<b>Cash Flow</b>	Funding Policy contributions	0	0
	Maximum Tax Deductible contributions	61,303,851 (est)	86,142,744
	Actual contributions	N/A	N/A
	Expected benefit payments and expenses, net of participant contributions	88,345,027	100,168,816

### Employer Contributions

Employer contributions are the amounts paid by American Electric Power to provide for postretirement benefits, net of participant contributions and Medicare Part D payments. Most participants receiving benefits are required to contribute toward the cost of the plan.

<sup>1</sup> Rates are expressed on an annual basis where applicable

Non-UMWA Postretirement Health Care Plan

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AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
2018 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	"Other" Cost			Net Periodic Postretirement Benefit Cost
							Amortizations		Total "Other" Cost	
							PSC	(G/L)		
140 Appalachian Power Co - Distribution	\$101,841,714	\$7,528,926	\$139,064,411	\$619,667	\$3,554,287	(\$8,131,298)	(\$5,097,397)	\$746,697	(\$8,927,711)	(\$8,308,044)
215 Appalachian Power Co - Generation	88,147,719	7,212,397	120,365,321	501,107	3,062,682	(7,037,935)	(4,162,884)	646,293	(7,491,844)	(6,990,740)
Appalachian Power Co - Transmission	9,937,044	701,856	13,568,990	3,534	345,339	(793,339)	(781,539)	72,858	(1,158,740)	(1,153,206)
Appalachian Power Co - FERC	\$199,926,477	\$15,443,179	\$272,998,722	\$1,124,305	\$6,962,308	(\$15,962,632)	(\$10,041,819)	\$1,465,848	(\$17,576,295)	(\$16,451,990)
225 Cedar Coal Co	437,335	56,064	597,179	0	14,743	(34,916)	(8,202)	3,207	(25,170)	(25,170)
Appalachian Power Co - SEC	\$200,363,812	\$15,499,263	\$273,595,901	\$1,124,305	\$6,977,051	(\$15,997,580)	(\$10,050,021)	\$1,469,055	(\$17,601,465)	(\$16,477,160)
211 AEP Texas Central Company - Distribution	\$70,930,838	\$4,770,007	\$96,855,746	\$588,695	\$2,489,602	(\$5,663,296)	(\$3,881,048)	\$520,060	(\$6,534,682)	(\$5,945,987)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)	(15,337)
169 AEP Texas Central Company - Transmission	7,275,597	423,556	9,934,796	88,465	257,478	(580,902)	(391,921)	53,344	(662,001)	(575,536)
AEP Texas Central Co	\$78,206,435	\$5,193,563	\$106,790,542	\$675,160	\$2,747,080	(\$6,244,198)	(\$4,288,306)	\$573,404	(\$7,212,020)	(\$6,538,680)
119 AEP Texas North Company - Distribution	20,839,894	1,354,047	28,456,783	172,833	732,301	(1,663,909)	(1,276,048)	152,797	(2,054,859)	(1,882,026)
166 AEP Texas North Company - Generation	4,861,735	415,454	6,665,988	0	168,330	(389,770)	(67,677)	35,793	(253,324)	(253,324)
102 AEP Texas North Company - Transmission	3,286,792	204,551	4,488,100	40,878	116,147	(202,426)	(233,844)	24,099	(356,024)	(315,146)
AEP Texas North Co	\$29,008,421	\$1,974,052	\$39,610,871	\$213,711	\$1,016,778	(\$2,316,105)	(\$1,577,569)	\$212,689	(\$2,664,207)	(\$2,450,496)
AEP Texas	\$107,214,856	\$7,167,615	\$146,401,413	\$888,871	\$3,763,858	(\$8,560,303)	(\$5,885,875)	\$786,093	(\$9,876,227)	(\$8,587,356)
170 Indiana Michigan Power Co - Distribution	\$49,954,033	\$3,924,641	\$68,212,012	\$380,207	\$1,742,014	(\$3,988,456)	(\$2,601,438)	\$386,260	(\$4,481,620)	(\$4,101,413)
132 Indiana Michigan Power Co - Generation	31,132,457	2,609,460	42,511,233	168,031	1,080,263	(2,485,694)	(1,850,054)	228,261	(3,027,224)	(2,859,193)
190 Indiana Michigan Power Co - Nuclear	52,134,132	3,169,264	71,188,927	878,802	1,851,923	(4,162,520)	(3,561,730)	382,244	(5,400,038)	(4,611,281)
120 Indiana Michigan Power Co - Transmission	10,466,831	719,125	14,292,412	78,779	366,812	(835,698)	(596,815)	76,742	(988,959)	(910,180)
280 Ind Mich River Transp Lakin	11,509,598	696,745	15,716,305	141,688	407,016	(918,955)	(811,278)	84,388	(1,238,829)	(1,097,141)
Indiana Michigan Power Co - SEC	\$155,197,051	\$11,119,235	\$211,920,889	\$1,647,507	\$5,448,028	(\$12,391,323)	(\$9,421,315)	\$1,137,895	(\$15,226,715)	(\$13,579,208)
110 Kentucky Power Co - Distribution	\$19,537,078	\$1,284,965	\$26,677,794	\$123,155	\$684,844	(\$1,559,889)	(\$1,210,578)	\$143,245	(\$1,942,378)	(\$1,819,223)
117 Kentucky Power Co - Generation	13,016,315	1,179,801	17,773,721	24,778	448,431	(1,039,255)	(611,828)	95,435	(1,107,217)	(1,082,439)
180 Kentucky Power Co - Transmission	1,043,209	80,571	1,424,497	234	36,126	(83,292)	(198,150)	7,649	(237,667)	(237,433)
600 Kentucky Power Co - Kammer Actives	0	0	0	0	0	0	(42,530)	0	(42,530)	(42,530)
701 Kentucky Power Co - Mitchell Actives	\$7,873,557	34,218	8,020,316	179,926	217,315	(468,960)	(160,767)	43,065	(369,347)	(189,421)
702 Kentucky Power Co - Mitchell Inactives	9,910,993	1,007,988	13,533,417	0	338,812	(791,319)	(200,743)	72,667	(580,583)	(580,583)
Kentucky Power Co	\$49,381,152	\$3,587,543	\$67,429,745	\$328,093	\$1,725,528	(\$3,942,715)	(\$2,424,596)	\$362,016	(\$4,279,722)	(\$3,951,629)
250 Ohio Power Co - Distribution	\$132,303,752	\$9,945,357	\$180,660,189	\$926,469	\$4,618,854	(\$10,563,464)	(\$5,890,962)	\$970,042	(\$10,865,530)	(\$9,939,061)
Ohio Power Co - Transmission	14,568,004	1,091,029	18,892,545	4,208	505,135	(1,163,146)	(1,031,548)	106,812	(1,562,747)	(1,578,539)
Ohio Power Co	\$146,871,756	\$11,036,386	\$200,552,734	\$930,677	\$5,123,989	(\$11,726,610)	(\$6,922,510)	\$1,076,854	(\$12,448,277)	(\$11,517,600)
167 Public Service Co of Oklahoma - Distribution	\$43,234,647	\$2,958,125	\$59,036,720	\$411,394	\$1,518,482	(\$3,451,963)	(\$2,477,659)	\$136,994	(\$4,094,146)	(\$3,682,752)
198 Public Service Co of Oklahoma - Generation	20,972,268	1,236,057	28,637,567	267,648	742,585	(1,674,480)	(1,496,642)	153,767	(2,276,770)	(2,009,122)
114 Public Service Co of Oklahoma - Transmission	5,134,794	355,600	7,011,539	47,165	180,206	(409,975)	(313,349)	37,648	(505,470)	(468,305)
Public Service Co of Oklahoma	\$69,341,729	\$4,549,782	\$94,685,826	\$726,207	\$2,441,273	(\$5,536,418)	(\$4,289,650)	\$508,409	(\$6,876,386)	(\$6,150,179)
159 Southwestern Electric Power Co - Distribution	\$30,698,443	\$1,850,803	\$41,918,588	\$311,791	\$1,063,349	(\$2,451,041)	(\$1,794,965)	\$225,079	(\$2,937,578)	(\$2,625,787)
168 Southwestern Electric Power Co - Generation	30,294,814	1,864,684	41,397,435	405,581	1,071,947	(2,418,814)	(2,137,691)	222,120	(3,262,439)	(2,956,557)
161 Southwestern Electric Power Co - Texas - Distribution	15,154,106	1,074,563	20,692,865	137,452	531,325	(1,209,942)	(942,674)	111,109	(1,510,182)	(1,372,730)
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	317,170	31,170	6,200,687	44,725	159,427	(362,563)	(280,205)	33,294	(450,047)	(405,322)
Southwestern Electric Power Co	\$80,688,342	\$5,107,220	\$110,179,575	\$899,549	\$2,846,048	(\$6,442,360)	(\$5,155,535)	\$591,602	(\$8,160,245)	(\$7,260,896)
230 Kingsport Power Co - Distribution	\$3,943,149	\$275,756	\$5,384,353	\$39,407	\$138,452	(\$314,831)	(\$177,403)	\$28,911	(\$324,871)	(\$285,464)
200 Kingsport Power Co - Transmission	492,129	38,522	672,000	0	17,029	(39,293)	(40,419)	3,608	(59,075)	(59,075)
Kingsport Power Co	\$4,435,278	\$314,278	\$6,056,353	\$39,407	\$155,481	(\$354,124)	(\$217,822)	\$32,519	(\$383,946)	(\$344,539)
210 Wheeling Power Co - Distribution	\$5,101,357	\$361,214	\$6,965,880	\$35,502	\$178,483	(\$407,305)	(\$259,071)	\$37,403	(\$450,490)	(\$414,968)
200 Wheeling Power Co - Transmission	261,739	37,747	357,403	0	8,749	(20,898)	(2,613)	1,919	(12,843)	(12,843)
Wheeling Power Co	\$5,363,096	\$398,961	\$7,323,283	\$35,502	\$187,232	(\$428,203)	(\$261,684)	\$39,322	(\$463,333)	(\$427,831)
103 American Electric Power Service Corporation	\$302,727,494	\$18,544,738	\$413,373,055	\$3,377,142	\$10,688,913	(\$24,170,526)	(\$17,282,221)	\$2,219,575	(\$28,544,259)	(\$25,167,117)
293 Elmwood	828,733	53,642	1,131,631	0	28,877	(66,168)	(276,067)	6,076	(307,262)	(307,262)
292 AEP River Operations LLC	5,653,531	501,841	7,719,872	0	194,574	(451,392)	(1,245,634)	41,451	(1,461,001)	(1,461,001)
American Electric Power Service Corporation	\$309,209,758	\$19,100,221	\$422,224,558	\$3,377,142	\$10,912,364	(\$24,688,086)	(\$18,603,922)	\$2,267,102	(\$30,312,542)	(\$26,935,400)
270 Cook Coal Terminal	\$894,365	\$77,144	\$1,221,251	\$8,092	\$31,112	(\$71,408)	(\$67,747)	\$6,557	(\$101,466)	(\$93,364)
AEP Generating Company	\$894,365	\$77,144	\$1,221,251	\$8,092	\$31,112	(\$71,408)	(\$67,747)	\$6,557	(\$101,466)	(\$93,364)
104 Cardinal Operating Company	\$20,580,014	\$1,393,132	\$28,101,918	\$207,184	\$723,484	(\$1,643,160)	(\$1,116,823)	\$150,891	(\$1,865,608)	(\$1,678,424)
181 Ohio Power Co - Generation	94,107,587	8,699,770	128,503,495	153,333	3,238,182	(7,513,786)	(4,359,566)	689,991	(7,945,179)	(7,791,846)
AEP Generation Resources - FERC	\$114,687,601	\$10,092,902	\$155,605,413	\$360,517	\$3,961,666	(\$9,166,946)	(\$5,476,389)	\$840,882	(\$9,830,787)	(\$9,470,270)
290 Conesville Coal Preparation Company	1,141,183	112,028	1,558,280	0	38,084	(91,115)	(51,555)	8,367	(95,219)	(95,219)
AEP Generation Resources - SEC	\$115,828,784	\$10,204,930	\$156,163,693	\$360,517	\$4,000,750	(\$9,248,061)	(\$5,527,944)	\$849,249	(\$9,926,006)	(\$9,665,489)
175 AEP Energy Partners	1,160,438	39,297	1,584,573	49,304	42,903	(92,652)	(31,898)	8,508	(72,827)	(72,827)
171 CSW Energy, Inc	311,029	15,861	424,709	0	10,914	(24,833)	(15,366)	2,280	(27,005)	(27,005)
419 Onsite Partners	12,608	0	17,216	1,116	494	(1,007)	0	92	(421)	695
AEP Energy Supply	\$117,312,859	\$10,257,108	\$160,190,191	\$410,937	\$4,055,061	(\$9,366,553)	(\$5,574,996)	\$860,129	(\$10,026,359)	(\$9,615,422)
143 AEP Pro Serv, Inc.	\$113,339	\$10,801	\$154,764	\$0	\$3,888	(\$9,049)	(\$1,133)	\$831	(\$5,463)	(\$5,463)
AEP Pro Serv, Inc.	\$113,339	\$10,801	\$154,764	\$0	\$3,888	(\$9,049)	(\$1,133)	\$831	(\$5,463)	(\$5,463)
245 Dolet Hills	\$4,915,038	\$119,470	\$6,711,463	\$217,188	\$182,629	(\$392,429)	\$430,570	\$36,037	\$256,807	\$473,995
Dolet Hills	\$4,915,038	\$119,470	\$6,711,463	\$217,188	\$182,629	(\$392,429)	\$430,570	\$36,037	\$256,807	\$473,995
Total	\$1,251,302,431	\$88,345,027	\$1,708,647,946	\$10,633,477	\$43,853,542	(\$99,807,131)	(\$68,626,236)	\$9,174,466	(\$115,505,359)	(\$104,871,882)

May 2018

WillisTowersWatson

American Electric Power  
Non-UMWA Postretirement Health Care Plan

**Actuarial Valuation Report  
Postretirement Welfare Cost for Fiscal Year Beginning  
January 1, 2019 under U.S. GAAP**

**Employer Contributions for Plan Year Beginning  
January 1, 2019**

May 2019

This report is confidential and intended solely for the information and benefit of the immediate recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Actuarial certification" section herein.

Sponsored by: Micahel Baird

# Section 1: Summary of key results

## Benefit cost, plan assets & obligations

All monetary amounts shown in U.S. Dollars

Fiscal Year Beginning		01/01/2019	01/01/2018
<b>Benefit Cost/ (Income)</b>	Net Periodic Postretirement Benefit Cost/(Income)	(82,976,383)	(104,871,882)
Measurement Date		01/01/2019	01/01/2018
<b>Plan Assets</b>	Fair Value of Assets (FVA)	1,510,044,948	1,708,647,946
<b>Benefit Obligations</b>	Accumulated Postretirement Benefit Obligation (APBO)	1,126,652,189	1,251,302,431
<b>Funded Status</b>	Funded Status	383,392,759	457,345,515
<b>Accumulated Other Comprehensive (Income)/Loss</b>	Net Prior Service Cost/(Credit)	(343,305,273)	(411,931,508)
	Net Loss/(Gain)	410,564,569	287,986,950
	Total Accumulated Other Comprehensive (Income)/Loss	67,259,296	(123,944,558)
<b>Assumptions<sup>1</sup></b>	Discount Rate	4.30%	3.60%
	Expected Long-term Return on Plan Assets	6.25%	6.00%
	Rate of Compensation/Salary Increase	Rates vary by age from 3.5% to 12.0%	Rates vary by age from 3.5% to 12.0%
	Current Health Care Cost Trend Rate	6.25%	6.50%
	Ultimate Health Care Cost Trend Rate	5.00%	5.00%
	Year of Ultimate Trend Rate	2024	2024
<b>Participant Data</b>	Census Date	01/01/2019	01/01/2018
Plan reporting (ASC 965) for Plan Year Beginning		01/01/2019	01/01/2018
Present value of accumulated benefits		1,126,899,572	1,251,565,230
Market value of assets		1,510,044,948	1,708,647,946
Plan reporting discount rate		4.30%	3.60%

<sup>1</sup> Rates are expressed on an annual basis where applicable

Employer Contributions (net of Medicare subsidy)		Plan Year 2019	Plan Year 2018
Cash Flow	Funding Policy contributions	0	0
	Maximum Tax Deductible contributions	133,790,554 (est)	118,748,508
	Actual contributions	986,140 <sup>1</sup>	12,379,214 <sup>2</sup>
	Expected benefit payments and expenses, net of participant contributions	85,110,453	88,345,027

<sup>1</sup> Includes \$1,027,891 expected to be paid directly for key retirees in 2019, offset by \$41,751 in Medicare Retiree Drug Subsidies.

<sup>2</sup> Includes \$11,651,839 contributed to trust and \$1,151,180 paid directly for key retirees in 2018, offset by \$423,805 in Medicare Retiree Drug Subsidies.

## Employer contributions

Employer contributions are the amounts paid by the Company to provide for postretirement benefits, net of participant contributions and Medicare Part D payments. Most participants receiving benefits are required to contribute toward the cost of the plan.

The Company's funding policy is to contribute an amount equal to the postretirement welfare cost plus retiree drug subsidy payments received (the sum of which can be no less than zero). The Company maximizes its contribution to the 401(h) account and contributes the remainder to the various VEBAs. The Company may deviate from this policy, as permitted by its terms, based on cash, tax or other considerations.

## Postretirement welfare cost and funded position

The cost of the postretirement welfare plan is determined in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The fiscal 2019 postretirement welfare benefit cost/(income) for the plan is \$(82,976,383). Under U.S. GAAP, the funded position (fair value of plan assets less the projected benefit obligation, or "APBO") of each postretirement welfare plan at the plan sponsor's fiscal year-end (measurement date) is required to be reported as a liability. The APBO is the actuarial present value of benefits attributed to service rendered prior to the measurement date, taking into consideration expected future pay increases for pay-related plans. The plan's overfunded (underfunded) APBO as of January 1, 2019 was \$383,392,759 based on the fair value of plan assets of \$1,510,044,948 and the APBO of \$1,126,652,189.

Fiscal year-end financial reporting information and disclosures are prepared before detailed participant data and full valuation results are available. Therefore, the postretirement benefit asset (liability) at December 31, 2018 was derived from a roll forward of the January 1, 2018 valuation results, adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population. The next fiscal year financial reporting information will be developed based on the results of the January 1, 2019 valuation, projected to the end of the year and similarly adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population.

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
2019 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	*Other Cost		Total *Other* Cost	Net Periodic Postretirement Benefit Cost
							Amortizations			
							PSC	(G)/L		
140 Appalachian Power Co - Distribution	\$92,018,084	\$7,233,097	\$123,331,268	\$555,014	\$3,826,768	(\$7,494,268)	(\$5,097,397)	\$1,756,959	(\$7,007,938)	(\$6,452,924)
215 Appalachian Power Co - Generation	78,917,205	6,742,182	105,772,241	427,472	3,268,390	(6,427,288)	(4,162,884)	1,506,816	(5,814,966)	(5,387,494)
150 Appalachian Power Co - Transmission	8,846,848	626,204	11,857,376	0	367,093	(720,518)	(781,538)	168,918	(966,045)	(966,045)
Appalachian Power Co - FERC	\$179,782,137	\$14,601,483	\$240,960,885	\$982,486	\$7,462,251	(\$14,642,074)	(\$10,041,819)	\$3,432,693	(\$13,788,949)	(\$12,806,463)
225 Cedar Coal Co	358,755	45,836	480,837	0	14,451	(29,218)	(8,202)	6,850	(16,119)	(16,119)
Appalachian Power Co - SEC	\$180,140,892	\$14,647,319	\$241,441,722	\$982,486	\$7,476,702	(\$14,671,292)	(\$10,050,021)	\$3,439,543	(\$13,805,068)	(\$12,822,582)
211 AEP Texas Central Company - Distribution	\$63,902,152	\$4,501,045	\$85,647,658	\$497,518	\$2,673,432	(\$5,204,410)	(\$3,881,048)	\$1,220,124	(\$5,191,902)	(\$4,694,384)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)	(15,337)
169 AEP Texas Central Company - Transmission	6,468,128	415,181	8,669,192	76,940	272,605	(526,787)	(391,921)	123,500	(522,603)	(445,663)
AEP Texas Central Co.	\$70,370,280	\$4,916,226	\$94,316,850	\$574,458	\$2,946,037	(\$5,731,197)	(\$4,288,306)	\$1,343,624	(\$5,729,842)	(\$5,155,384)
119 AEP Texas North Company - Distribution	18,576,126	1,296,763	24,897,467	141,638	777,277	(1,512,903)	(1,276,048)	354,686	(1,656,988)	(1,515,350)
166 AEP Texas North Company - Generation	4,304,430	391,753	5,769,201	0	176,756	(350,568)	(67,677)	82,187	(159,302)	(159,302)
192 AEP Texas North Company - Transmission	2,954,909	192,134	3,960,446	34,629	124,463	(240,658)	(233,844)	56,420	(293,619)	(258,990)
AEP Texas North Co.	\$25,835,465	\$1,880,650	\$34,627,114	\$176,267	\$1,078,496	(\$2,104,129)	(\$1,577,569)	\$493,293	(\$2,109,909)	(\$1,933,642)
AEP Texas	\$96,205,745	\$6,796,876	\$128,943,964	\$750,725	\$4,024,533	(\$7,835,326)	(\$5,865,875)	\$1,836,917	(\$7,839,751)	(\$7,089,026)
170 Indiana Michigan Power Co - Distribution	\$43,995,207	\$3,659,734	\$58,966,503	\$322,277	\$1,827,796	(\$3,583,120)	(\$2,601,438)	\$840,028	(\$3,516,734)	(\$3,194,457)
132 Indiana Michigan Power Co - Generation	28,319,738	2,527,150	37,956,769	128,176	1,169,498	(2,308,456)	(1,850,054)	540,727	(2,446,285)	(2,318,109)
190 Indiana Michigan Power Co - Nuclear	47,319,132	3,055,242	63,421,539	730,357	2,001,132	(3,853,832)	(3,561,730)	903,494	(4,510,936)	(3,780,579)
120 Indiana Michigan Power Co - Transmission	9,420,985	689,767	12,626,888	85,346	393,323	(767,277)	(596,815)	175,881	(790,888)	(725,542)
280 Ind Mich River Transp Lakin	10,232,817	693,576	13,714,981	117,771	430,533	(833,386)	(811,278)	195,382	(1,018,759)	(900,988)
Indiana Michigan Power Co. - SEC	\$139,287,879	\$10,611,469	\$186,686,680	\$1,363,927	\$5,822,282	(\$11,344,081)	(\$9,421,315)	\$2,659,512	(\$12,283,602)	(\$10,919,675)
110 Kentucky Power Co - Distribution	\$17,552,237	\$1,281,382	\$23,525,154	\$101,369	\$731,845	(\$1,429,514)	(\$1,210,578)	\$335,136	(\$1,573,111)	(\$1,471,742)
117 Kentucky Power Co - Generation	11,531,025	1,101,330	15,454,961	20,347	473,280	(939,126)	(611,828)	220,169	(857,505)	(837,158)
180 Kentucky Power Co - Transmission	843,202	54,951	1,130,138	0	35,089	(68,673)	(198,150)	16,100	(215,634)	(215,634)
600 Kentucky Power Co - Kammer Actives	0	0	0	0	0	0	(42,530)	0	(42,530)	(42,530)
701 Kentucky Power Co - Mitchell Actives	4,591,091	37,093	6,153,411	139,651	202,633	(373,914)	(160,767)	87,661	(244,387)	(104,736)
702 Kentucky Power Co - Mitchell Inactives	10,172,594	1,139,527	13,634,265	0	413,180	(828,491)	(200,743)	194,232	(421,822)	(421,822)
Kentucky Power Co	\$44,690,149	\$3,614,283	\$59,897,929	\$261,367	\$1,856,027	(\$3,639,718)	(\$2,424,596)	\$653,298	(\$3,354,989)	(\$3,093,622)
250 Ohio Power Co - Distribution	\$119,026,146	\$9,600,385	\$159,530,006	\$787,641	\$4,947,757	(\$9,693,897)	(\$5,890,962)	\$2,272,641	(\$8,364,461)	(\$7,576,826)
160 Ohio Power Co - Transmission	12,874,407	1,073,517	17,255,488	1,000	530,805	(1,048,536)	(1,031,548)	245,819	(1,303,460)	(1,302,460)
Ohio Power Co	\$131,900,553	\$10,673,902	\$176,785,494	\$788,641	\$5,478,562	(\$10,742,433)	(\$6,922,510)	\$2,518,460	(\$9,687,921)	(\$8,879,280)
167 Public Service Co of Oklahoma - Distribution	\$39,261,443	\$2,925,904	\$52,621,869	\$355,527	\$1,641,285	(\$3,197,586)	(\$2,477,659)	\$749,643	(\$3,284,317)	(\$2,928,790)
198 Public Service Co of Oklahoma - Generation	19,052,881	1,245,612	25,536,468	226,303	802,508	(1,551,732)	(1,498,642)	363,789	(1,884,079)	(1,657,776)
114 Public Service Co of Oklahoma - Transmission	4,674,255	352,112	6,264,875	41,033	195,267	(380,687)	(313,349)	89,248	(409,521)	(368,488)
Public Service Co of Oklahoma	\$62,988,579	\$4,523,628	\$84,423,202	\$622,863	\$2,639,058	(\$5,130,005)	(\$4,289,650)	\$1,202,680	(\$5,577,917)	(\$4,955,054)
159 Southwestern Electric Power Co - Distribution	\$28,062,845	\$1,843,944	\$37,612,457	\$275,534	\$1,179,323	(\$2,285,534)	(\$1,794,965)	\$535,822	(\$2,365,354)	(\$2,089,820)
168 Southwestern Electric Power Co - Generation	27,720,960	1,712,095	37,154,231	342,014	1,170,285	(2,257,690)	(2,137,691)	529,294	(2,685,802)	(2,353,788)
161 Southwestern Electric Power Co - Texas - Distribution	13,970,455	1,092,301	18,724,514	110,988	582,265	(1,137,802)	(942,674)	266,747	(1,231,464)	(1,120,476)
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	4,151,233	312,373	5,563,872	39,577	173,559	(338,091)	(280,205)	79,262	(365,475)	(325,898)
Southwestern Electric Power Co.	\$73,905,493	\$4,960,713	\$98,055,074	\$768,113	\$3,105,432	(\$6,019,117)	(\$5,155,535)	\$1,411,125	(\$6,556,095)	(\$5,889,982)
230 Kingsport Power Co - Distribution	\$3,397,228	\$219,115	\$4,553,284	\$34,383	\$142,898	(\$276,682)	(\$177,403)	\$64,865	(\$246,322)	(\$211,939)
260 Kingsport Power Co - Transmission	447,304	38,754	599,519	0	18,410	(36,430)	(40,419)	8,541	(49,898)	(49,898)
Kingsport Power Co	\$3,844,532	\$257,869	\$5,152,803	\$34,383	\$161,308	(\$313,112)	(\$217,822)	\$73,406	(\$296,220)	(\$261,837)
210 Wheeling Power Co - Distribution	\$4,638,569	\$362,006	\$6,217,045	\$31,931	\$193,130	(\$377,781)	(\$259,071)	\$88,567	(\$355,155)	(\$323,224)
200 Wheeling Power Co - Transmission	142,883	23,516	191,505	0	5,644	(11,637)	(2,613)	2,728	(5,878)	(5,878)
Wheeling Power Co	\$4,781,452	\$385,522	\$6,408,550	\$31,931	\$198,774	(\$389,418)	(\$261,684)	\$91,295	(\$361,033)	(\$329,102)
103 American Electric Power Service Corporation	\$276,543,155	\$18,095,158	\$370,649,078	\$2,922,777	\$11,632,082	(\$22,522,623)	(\$17,282,221)	\$5,280,213	(\$22,892,549)	(\$19,969,772)
293 Elmwood	670,862	37,105	899,152	0	28,058	(54,637)	(276,067)	12,809	(289,837)	(289,837)
292 AEP River Operations LLC	5,165,590	469,831	6,923,408	0	212,125	(420,703)	(1,245,634)	98,630	(1,355,582)	(1,355,582)
American Electric Power Service Corporation	\$282,379,607	\$18,602,094	\$378,471,638	\$2,922,777	\$11,872,265	(\$22,997,963)	(\$18,803,922)	\$5,391,652	(\$24,537,968)	(\$21,615,191)
270 Cook Coal Terminal	\$743,377	\$64,731	\$996,344	\$7,151	\$30,896	(\$60,543)	(\$67,747)	\$14,194	(\$83,200)	(\$76,049)
AEP Generating Company	\$743,377	\$64,731	\$996,344	\$7,151	\$30,896	(\$60,543)	(\$67,747)	\$14,194	(\$83,200)	(\$76,049)
104 Cardinal Operating Company	\$16,977,488	\$1,685,706	\$22,754,822	\$0	\$694,171	(\$1,382,705)	(\$1,116,823)	\$324,162	(\$1,481,195)	(\$1,481,195)
181 Ohio Power Co - Generation	81,643,762	7,956,896	109,426,628	114,648	3,346,339	(6,649,348)	(4,359,586)	1,558,876	(6,103,699)	(5,989,051)
AEP Generation Resources - FERC	\$98,621,250	\$9,642,602	\$132,181,450	\$114,648	\$4,040,510	(\$8,032,053)	(\$5,476,389)	\$1,883,038	(\$7,584,894)	(\$7,470,246)
290 Conesville Coal Preparation Company	965,474	100,251	1,294,019	0	39,383	(78,632)	(51,555)	18,434	(72,370)	(72,370)
AEP Generation Resources - SEC	\$99,586,724	\$9,742,853	\$133,475,469	\$114,648	\$4,079,893	(\$8,110,685)	(\$5,527,944)	\$1,901,472	(\$7,657,264)	(\$7,542,616)
175 AEP Energy Partners	1,043,738	44,497	1,398,916	39,457	45,631	(85,006)	(31,686)	19,928	(51,132)	(11,675)
171 CSW Energy, Inc	287,902	15,939	385,873	0	12,041	(23,448)	(15,366)	5,497	(21,276)	(21,276)
419 Onsite Partners	23,309	0	31,241	1,880	1,082	(1,898)	0	445	(371)	1,489
AEP Energy Supply	\$100,941,673	\$9,803,289	\$135,291,499	\$155,965	\$4,138,647	(\$8,221,037)	(\$5,574,996)	\$1,927,343	(\$7,730,043)	(\$7,574,078)
143 AEP Pro Serv, Inc	\$96,525	\$11,154	\$129,372	\$0	\$3,913	(\$7,861)	(\$1,133)	\$1,843	(\$3,238)	(\$3,238)
AEP Pro Serv, Inc	\$96,525	\$11,154	\$129,372	\$0	\$3,913	(\$7,861)	(\$1,133)	\$1,843	(\$3,238)	(\$3,238)
245 Dolet Hills	\$4,745,733	\$157,604	\$6,360,677	\$188,826	\$208,833	(\$386,509)	\$430,570	\$90,613	\$343,507	\$532,333
Dolet Hills	\$4,745,733	\$157,604	\$6,360,677	\$188,826	\$208,833	(\$386,509)	\$430,570	\$90,613	\$343,507	\$532,333
Total	\$1,126,652,189	\$85,110,453	\$1,510,044,948	\$8,879,155	\$47,017,232	(\$91,758,415)	(\$68,626,236)	\$21,511,881	(\$91,855,538)	(\$82,976,383)

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
10-YEAR PRW COST FORECAST - 2020 VALUATION UPDATE  
(\$000s)

Location	Estimated Net Periodic Postretirement Benefit Cost										
	Cost 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
140 Appalachian Power Co - Distribution	(\$8,575)	(\$6,753)	(\$6,877)	(\$6,367)	(\$3,104)	(\$2,468)	(\$2,634)	(\$2,875)	(\$3,415)	(\$3,630)	(\$3,838)
215 Appalachian Power Co - Generation	(7,192)	(5,616)	(5,706)	(5,244)	(2,613)	(2,116)	(2,259)	(2,475)	(2,944)	(3,141)	(3,335)
150 Appalachian Power Co - Transmission	(1,164)	(955)	(1,003)	(912)	(383)	(276)	(287)	(305)	(349)	(361)	(370)
Appalachian Power Co. - FERC	(16,931)	(13,364)	(13,586)	(12,523)	(6,100)	(4,860)	(5,180)	(5,655)	(6,708)	(7,132)	(7,543)
225 Cedar Coal Co	(21)	(15)	(15)	(11)	(7)	(7)	(6)	(6)	(7)	(6)	(6)
Appalachian Power Co. - SEC	(16,952)	(13,379)	(13,601)	(12,534)	(6,107)	(4,867)	(5,186)	(5,661)	(6,715)	(7,138)	(7,549)
211 AEP Texas Central Company - Distribution	(6,222)	(4,954)	(5,069)	(4,700)	(2,216)	(1,745)	(1,880)	(2,067)	(2,474)	(2,648)	(2,819)
147 AEP Texas Central Company - Generation	(15)	(15)	(15)	(9)	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	(604)	(475)	(490)	(458)	(213)	(169)	(187)	(211)	(260)	(284)	(308)
AEP Texas Central Co.	(6,841)	(5,444)	(5,574)	(5,167)	(2,429)	(1,914)	(2,067)	(2,278)	(2,734)	(2,932)	(3,127)
119 AEP Texas North Company - Distribution	(1,982)	(1,609)	(1,642)	(1,532)	(696)	(531)	(572)	(630)	(752)	(802)	(851)
166 AEP Texas North Company - Generation	(234)	(158)	(159)	(131)	(104)	(103)	(103)	(105)	(115)	(114)	(111)
192 AEP Texas North Company - Transmission	(333)	(275)	(282)	(265)	(108)	(77)	(84)	(94)	(113)	(122)	(130)
AEP Texas North Co.	(2,559)	(2,042)	(2,083)	(1,928)	(908)	(711)	(759)	(829)	(980)	(1,038)	(1,092)
AEP Texas	(9,400)	(7,486)	(7,657)	(7,095)	(3,337)	(2,625)	(2,826)	(3,107)	(3,714)	(3,970)	(4,219)
170 Indiana Michigan Power Co - Distribution	(4,195)	(3,327)	(3,387)	(3,101)	(1,432)	(1,117)	(1,198)	(1,315)	(1,575)	(1,683)	(1,791)
132 Indiana Michigan Power Co - Generation	(3,010)	(2,437)	(2,460)	(2,270)	(1,035)	(774)	(811)	(871)	(1,016)	(1,072)	(1,126)
190 Indiana Michigan Power Co - Nuclear	(5,046)	(4,042)	(4,178)	(3,923)	(1,647)	(1,217)	(1,386)	(1,602)	(2,022)	(2,238)	(2,456)
120 Indiana Michigan Power Co - Transmission	(946)	(759)	(776)	(714)	(333)	(262)	(284)	(313)	(374)	(400)	(425)
280 Indiana Michigan River Transportation (Lakin)	(1,159)	(949)	(971)	(907)	(372)	(270)	(299)	(339)	(419)	(457)	(496)
Indiana Michigan Power Co. - SEC	(14,356)	(11,514)	(11,772)	(10,915)	(4,820)	(3,640)	(3,978)	(4,440)	(5,406)	(5,850)	(6,294)
110 Kentucky Power Co - Distribution	(1,898)	(1,538)	(1,565)	(1,461)	(665)	(507)	(547)	(604)	(721)	(771)	(819)
117 Kentucky Power Co - Generation	(1,259)	(953)	(954)	(878)	(484)	(402)	(416)	(441)	(508)	(534)	(556)
180 Kentucky Power Co - Transmission	(233)	(218)	(219)	(201)	(58)	(26)	(28)	(30)	(34)	(36)	(37)
600 Kentucky Power Co - Kammer Actives	(43)	(43)	(43)	(43)	(13)	0	0	0	0	0	0
701 Kentucky Power Co - Mitchell Actives	(179)	(104)	(132)	(159)	(105)	(70)	(98)	(131)	(187)	(221)	(258)
702 Kentucky Power Co - Mitchell Inactives	(573)	(403)	(403)	(401)	(338)	(233)	(239)	(255)	(294)	(308)	(321)
Kentucky Power Co.	(4,185)	(3,259)	(3,316)	(3,143)	(1,663)	(1,238)	(1,328)	(1,461)	(1,744)	(1,870)	(1,989)
250 Ohio Power Co - Distribution	(10,270)	(7,915)	(8,080)	(7,459)	(3,773)	(3,083)	(3,302)	(3,622)	(4,321)	(4,606)	(4,889)
160 Ohio Power Co - Transmission	(1,568)	(1,326)	(1,335)	(1,205)	(509)	(367)	(379)	(400)	(455)	(468)	(477)
Ohio Power Co.	(11,838)	(9,241)	(9,415)	(8,664)	(4,282)	(3,450)	(3,681)	(4,022)	(4,776)	(5,074)	(5,366)
167 Public Service Co of Oklahoma - Distribution	(3,860)	(3,076)	(3,148)	(2,918)	(1,322)	(1,019)	(1,107)	(1,229)	(1,489)	(1,606)	(1,722)
198 Public Service Co of Oklahoma - Generation	(2,160)	(1,764)	(1,810)	(1,698)	(709)	(514)	(564)	(633)	(777)	(844)	(911)
114 Public Service Co of Oklahoma - Transmission	(484)	(390)	(398)	(370)	(166)	(125)	(135)	(149)	(178)	(191)	(203)
Public Service Co. of Oklahoma	(6,504)	(5,230)	(5,356)	(4,986)	(2,197)	(1,658)	(1,806)	(2,011)	(2,444)	(2,641)	(2,836)
159 Southwestern Electric Power Co - Distribution	(2,778)	(2,209)	(2,271)	(2,248)	(1,039)	(765)	(841)	(944)	(1,159)	(1,259)	(1,360)
168 Southwestern Electric Power Co - Generation	(3,091)	(2,518)	(2,587)	(2,439)	(1,036)	(760)	(837)	(945)	(1,160)	(1,259)	(1,361)
161 Southwestern Electric Power Co - Texas - Distribution	(1,455)	(1,174)	(1,197)	(1,118)	(497)	(374)	(404)	(447)	(541)	(583)	(623)
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	(429)	(342)	(351)	(325)	(147)	(114)	(125)	(140)	(169)	(182)	(195)
Southwestern Electric Power Co.	(7,753)	(6,243)	(6,406)	(6,130)	(2,719)	(2,013)	(2,207)	(2,476)	(3,029)	(3,283)	(3,539)
230 Kingsport Power Co - Distribution	(311)	(233)	(240)	(223)	(116)	(97)	(107)	(119)	(145)	(155)	(165)
260 Kingsport Power Co - Transmission	(60)	(51)	(51)	(46)	(19)	(13)	(13)	(14)	(16)	(16)	(17)
Kingsport Power Co.	(371)	(284)	(291)	(269)	(135)	(110)	(120)	(133)	(161)	(171)	(182)
210 Wheeling Power Co - Distribution	(434)	(342)	(348)	(321)	(154)	(120)	(129)	(141)	(167)	(176)	(185)
200 Wheeling Power Co - Transmission	(8)	(5)	(5)	(4)	(2)	(2)	(2)	(1)	(1)	(1)	(1)
Wheeling Power Co.	(442)	(347)	(353)	(325)	(156)	(122)	(131)	(142)	(168)	(177)	(186)
103 American Electric Power Service Corporation	(27,056)	(21,301)	(21,933)	(20,370)	(9,676)	(7,749)	(8,606)	(9,743)	(12,002)	(13,092)	(14,186)
293 Elmwood	(309)	(284)	(295)	(278)	(72)	(26)	(28)	(31)	(37)	(40)	(43)
292 AEP River Operations LLC	(1,485)	(1,377)	(1,380)	(1,289)	(375)	(168)	(178)	(194)	(227)	(241)	(256)
American Electric Power Service Corp	(28,850)	(22,972)	(23,608)	(21,937)	(10,123)	(7,943)	(8,812)	(9,966)	(12,266)	(13,373)	(14,485)
270 Cook Coal Terminal	(94)	(79)	(80)	(74)	(29)	(21)	(23)	(26)	(32)	(35)	(38)
AEP Generating Company	(94)	(79)	(80)	(74)	(29)	(21)	(23)	(26)	(32)	(35)	(38)
104 Cardinal Operating Company	(1,884)	(1,533)	(1,534)	(1,401)	(649)	(491)	(510)	(545)	(628)	(658)	(686)
181 Ohio Power Co - Generation	(7,780)	(6,176)	(6,193)	(5,544)	(2,615)	(2,158)	(2,228)	(2,381)	(2,707)	(2,810)	(2,900)
AEP Generation Resources - FERC	(9,644)	(7,709)	(7,727)	(6,945)	(3,264)	(2,649)	(2,738)	(2,906)	(3,335)	(3,468)	(3,588)
290 Conesville Coal Preparation Company	(91)	(73)	(73)	(66)	(31)	(24)	(26)	(28)	(33)	(35)	(36)
AEP Generation Resources - SEC	(9,735)	(7,782)	(7,800)	(7,011)	(3,295)	(2,673)	(2,764)	(2,934)	(3,368)	(3,503)	(3,622)
171 CSW Energy, Inc	(27)	(22)	(22)	(21)	(11)	(9)	(9)	(10)	(11)	(12)	(12)
175 AEP Energy Partners	(2)	25	15	8	14	9	(4)	(19)	(44)	(62)	(98)
419 Onsite Partners	1	1	1	1	0	0	0	(1)	(2)	(2)	(3)
AEP Energy Supply	(9,763)	(7,778)	(7,806)	(7,023)	(3,292)	(2,673)	(2,777)	(2,964)	(3,425)	(3,579)	(3,735)
143 AEP Pro Serv, Inc.	(5)	(3)	(4)	(3)	(3)	(3)	(4)	(4)	(5)	(5)	(6)
AEP Pro Serv, Inc.	(5)	(3)	(4)	(3)	(3)	(3)	(4)	(4)	(5)	(5)	(6)
245 Dolet Hills	(165)	(34)	(52)	(70)	(113)	(131)	(153)	(184)	(240)	(271)	(304)
Dolet Hills	(165)	(34)	(52)	(70)	(113)	(131)	(153)	(184)	(240)	(271)	(304)
Total	(\$110,678)	(\$87,849)	(\$89,717)	(\$83,168)	(\$38,976)	(\$30,494)	(\$33,032)	(\$36,599)	(\$44,125)	(\$47,437)	(\$50,728)
Total without Dolet Hills	(\$110,513)	(\$87,815)	(\$89,665)	(\$83,098)	(\$38,863)	(\$30,363)	(\$32,879)	(\$36,415)	(\$43,885)	(\$47,166)	(\$50,424)

SOUTHWESTERN ELECTRIC POWER COMPANY  
Bad Debt Expense  
For the Test Year Ended March 31, 2020

Charge Off Policy

The bad debt policy for all AEP operating companies is as follows:

- (1) In regard to retail electric sales, a debt is deemed to be uncollectible, in the absence of definitive information regarding the likelihood of collection, due to an unpaid final billing, bankruptcy or other condition of insolvency, and will be charged-off in the fourth month after the month of the initial determination of default (final billing). This charge-off schedule applies to all unpaid end-user electric accounts billed by AEP's Customer Information System (MACSS).
- (2) An unpaid electric account debt may be charged off prior to the end of the fourth following month if available information indicates that there is no likelihood of subsequent payment. Charge-off may also be delayed indefinitely after the fourth following month if available information indicates a likelihood of subsequent payment. Circumstances supporting either accelerated or delayed charge-off will be documented by AEP Credit Policy & Payment Administration and available for audit.
- (3) The transfer of the debt from active accounts receivable status to uncollectible status ("open" to "closed" status in PeopleSoft) for accounts not billed by MACSS will be performed manually by Miscellaneous Receivables as authorized by the applicable AEP business unit.
- (4) For accounts billed by MACSS, unpaid balances will automatically charge-off as specified in item (1) above unless manually accelerated or delayed as specified in item (2) above. The amount charged off will be reduced by any applicable account security or credit.
- (5) Any subsequent payment against a previously charged-off debt will be matched by an equal reinstatement or re-invoicing of that debt for either retail electric or other debt. This will effect a partial or complete reversal of the original transfer to uncollectible (closed) status.

SOUTHWESTERN ELECTRIC POWER COMPANY  
Bad Debt Expense  
For the Test Year Ended March 31, 2020  
Monthly Bad Debt Expense

The bad debt expense recorded by SWEPCO is a component of the factoring expense charged to SWEPCO by AEP Credit. Under the factoring agreement with AEP Credit, SWEPCO sells their customer accounts receivable balances and unbilled revenues to AEP Credit. Bad debts actually written off are recorded on the books of AEP Credit. SWEPCO has executed an "Agency Agreement" by which SWEPCO agrees to service, administer and collect the receivables on behalf of AEP Credit. Please see RFP Schedule G-10 and the Direct Testimony of Renee Hawkins for a description of the factoring agreement between SWEPCO and AEP Credit.

Monthly Revenues, Bad Debt Expense and Bad Debts Actually Written Off

See Schedule G-3, page 3 for SWEPCO's total company retail revenues and factoring expense recorded in the test year and the three years prior to the test year. As noted above, bad debts actually written off are recorded on the books of AEP Credit. Therefore, this information is not provided on page 3.

Monthly Fluctuations

While there are monthly fluctuations in actual charge-offs by AEP Credit due to factors such as economic conditions and seasonal usage, the bad debt component of the factoring expense charged to SWEPCO is a rolling twelve month average of the receivables charged-off by AEP Credit and the receivables purchased by AEP Credit.

SOUTHWESTERN ELECTRIC POWER COMPANY  
Amounts Factored and Bad Debt Expense  
For the Test Year Ended March 31, 2020

Line No.	(1)	(2) Amount Factored Total Company	(3) Bad Debt Expense
1	<u>Test Year</u>		
2	April 2019	118,906,508	323,572
3	May 2019	140,401,575	392,838
4	June 2019	145,641,126	419,680
5	July 2019	186,281,925	528,803
6	August 2019	156,405,431	442,270
7	September 2019	150,676,731	430,112
8	October 2019	160,252,905	461,929
9	November 2019	118,594,707	340,492
10	December 2019	102,511,558	294,510
11	January 2020	138,343,584	372,254
12	February 2020	120,324,746	309,706
13	March 2020	116,404,360	305,914
14	Total	<u>1,654,745,157</u>	<u>4,622,080</u>
15			
16	January 2018	153,967,169	315,021
17	February 2018	129,550,877	246,836
18	March 2018	124,083,752	224,368
19	April 2018	127,581,135	227,535
20	May 2018	152,683,029	270,868
21	June 2018	185,639,862	335,201
22	July 2018	187,352,746	364,468
23	August 2018	192,524,408	387,948
24	September 2018	145,791,845	304,425
25	October 2018	154,745,903	333,702
26	November 2018	117,647,605	267,184
27	December 2018	109,041,594	261,787
28	Total	<u>1,780,609,925</u>	<u>3,539,342</u>
29			
30	January 2017	126,420,517	284,405
31	February 2017	99,176,285	221,447
32	March 2017	124,142,614	300,190
33	April 2017	114,799,180	247,364
34	May 2017	137,532,380	293,243
35	June 2017	162,299,901	312,254
36	July 2017	153,709,073	324,955
37	August 2017	171,745,232	355,435
38	September 2017	140,947,774	288,987
39	October 2017	144,266,141	293,476
40	November 2017	118,962,072	244,112
41	December 2017	108,563,497	220,365
42	Total 2017	<u>1,602,564,667</u>	<u>3,386,234</u>
43			
44	January 2016	115,996,761	266,594
45	February 2016	120,366,695	264,287
46	March 2016	108,072,834	246,014
47	April 2016	119,591,472	281,525
48	May 2016	122,706,393	294,258
49	June 2016	154,797,122	378,440
50	July 2016	152,298,781	366,984
51	August 2016	170,226,260	403,177
52	September 2016	149,320,224	348,285
53	October 2016	127,208,645	285,045
54	November 2016	110,695,995	240,379
55	December 2016	118,681,677	264,718
56	Total 2016	<u>1,569,962,856</u>	<u>3,639,705</u>

Provided by Monica Parker

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Advertising, Contributions & Dues  
For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Category	(3) Schedule No.	(4) Test Year Amount	
1		Advertising	G-4.1	\$ 317,237	***
2		Contributions/Donations	G-4.2	1,047,669	***
3		Organization Memberships/Dues	G-4.3	1,082,699	***
4		Total Expenses Subject to 0.3% Limitation		<u>\$ 2,447,605</u>	
5	<u>Test of Substantive Rule Sec. 25.231(b)(1)(E):</u>				
6		Advertising, Contribution, and Dues Limitation			
7		Applicable Test Year Revenues		\$ 1,155,370,411	
8		% Limitation	x	<u>0.003</u>	
9		Dollar Limitation	(a)	3,466,111	
10		Total Test Year Expense (above)	(b)	<u>2,447,605</u>	
11		(Over) / Under Limit	(a) - (b)	<u>\$ 1,018,506</u>	

\*\*\* Denotes amounts included in Cost of Service only, subject to limitation.

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Advertising Expense  
For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Category	(3) Schedule No.	(4) Test Year Amount
	<u>Advertising</u>			
1	909	Informational/Instructional	G-4.1a	\$ -
2	930	Promote & Retain Usage	G-4.1b	18,903
3	9301	General	G-4.1c	<u>298,334</u>
4	Total Advertising Expense Subject to Limitation			<u>\$ 317,237</u>
				G-4

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Informational/Instructional Advertising  
For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Description	(3) Test Year Amount
1		Total Informational/Instructional Advertising	<u>\$ -</u> G-4.1

SOUTHWESTERN ELECTRIC POWER COMPANY  
 Summary of Advertising to Promote & Retain Usage  
 For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Category	(3) Test Year Amount
1	9301	BELLOMY RESEARCH INC	18,903
2	Total Advertising to Promote & Retain Usage		<u>\$ 18,903</u>
			G-4.1

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of General Advertising Expense  
For the Test Year Ended March 31, 2020

Page 5 of 37

Line No.	(1) FERC ACCT	(2) Category	(3) Test Year Amount
1	9301	AM CONSERVATION GROUP INC	2,045
2	9301	ARKANSAS DEMOCRAT GAZETTE	1,200
3	9301	ARKANSAS PRESS ASSOCIATION	705
4	9301	BALDRIDGE-DUMAS COMMUNICATIONS INC	1,800
5	9301	BANK OF AMERICA	40,998
6	9301	BERRY NETWORK INC	24,760
7	9301	BIZ MAGAZINE	500
8	9301	BUNYARD BROADCASTING INC	4,920
9	9301	CADDO PARISH	192
10	9301	CURTIS ELLIOTT DESIGNS	3,980
11	9301	DSI SOLUTIONS LLC	11,823
12	9301	EAST TEXAS JOURNAL	2,660
13	9301	ENCOMPASS SPORTS MANAGEMENT LLC	8,000
14	9301	GLADEWATER MIRROR	375
15	9301	HENDERSON NEWS	138
16	9301	HOUCK TRANSIT ADVERTISING	2,613
17	9301	LONGVIEW NEWS JOURNAL	1,396
18	9301	MOVIESAUCE LLC	13,051
19	9301	NASHVILLE LEADER	800
20	9301	NATIONAL THEATRE FOR CHILDREN	97,500
21	9301	NORTHWEST ARKANSAS NATURALS	9,000
22	9301	NORTHWEST LOUISIANA HOME BUILDERS ASSOC	275
23	9301	OPP, CHRIS	3,500
24	9301	PANHANDLE PRESS ASSOCIATION	500
25	9301	REDMOND, SHELLY MARIE MS RD LDN	5,300
26	9301	ROMPH & POU AGENCY INC	34,626
27	9301	SHREVEPORT TRANSIT MANAGEMENT	750
28	9301	SULLIVAN, CAREY A	31
29	9301	THE BEST OF TIMES	2,000
30	9301	TOWNSQUARE MEDIA	1,195
31	9301	WISSING, KAREN E	32
32		Subtotal	276,664
33	Sch G-4.1c.1	Billed From AEP Service Corporation	22,306
34	**	Amounts not included in cost of service	(636)
35		Total General Advertising Expense Subject to Limitation	<u>\$ 298,334</u>
			G-4.1

American Electric Power Service Corporation  
 Billings to Southwestern Electric Power Company  
 Schedule G-4.1c.1: Summary of General Advertising Expense  
 For the Test Year Ended March 31, 2020

Line No.	FERC ACCT	Category	Test Year Amount
1	9301	AEPSC LABOR	78
2	9301	AEPSC LABOR	(2) **
3	9301	BANK OF AMERICA	1,328
4	9301	BANK OF AMERICA	637 **
5	9301	CULVER COMPANY INC	568
6	9301	GATEHOUSE MEDIA OHIO HOLDINGS II INC	228
7	9301	J D POWER AND ASSOCIATES	14,968
8	9301	MCHENRY, MELISSA A	24
9	9301	MCHENRY, MELISSA A	1
10	9301	MOORE SYNDICATION INC	4,472
11	9301	DEVINE, SARAH E	2
12		Subtotal	<u>22,306</u>
13	**	Amounts not included in cost of service	(636)
14		Total General Advertising Expense Subject to Limitation	<u><u>21,670</u></u>
			G-4.1c

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Capitalized Advertising  
For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Category	(3) Test Year Amount
1	1070/1080		\$ -
2	Total Capitalized Advertising		\$ -
3	SWEPCo did not capitalize advertising in the test year.		

SOUTHWESTERN ELECTRIC POWER COMPANY  
 Summary of Contribution & Donation Expense  
 For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Category	(3) Schedule No.	(4) Test Year Amount ***
1		Educational	G-4.2a	\$ 194,279
2		Community Service	G-4.2b	595,979
3		Economic Development	G-4.2c	257,411
4		Total Contributions and Donations		<u>\$ 1,047,669</u>
				G-4

\*\*\* Denotes contributions and donation amounts included in Cost of Service only.

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Educational Contributions & Donations  
For the Test Year Ended March 31, 2020

Line No	(1) FERC ACCT	(2) Category	(3) Test Year Amount	(4) Brief Purpose of Organization *
1	4261	ADMINISTRATORS OF THE TULANE EDUCATIONAL	1,000	
2	4261	BECCA ANDERSON MEMORIAL SCHOLARSHIP	1,000	
3	4261	BOONEVILLE HIGH SCHOOL	6,000	
4	4261	BOSSIER PARISH COMMUNITY COLLEGE	25,000	
5	4261	BOSSIER PARISH SCHOOLS	3,500	
6	4261	BROTHER MARTIN HIGH SCHOOL	13,600	
7	4261	CENTENARY COLLEGE	750	**
8	4261	CENTRAL BAPTIST COLLEGE	2,000	**
9	4261	CLEAR SPRING SCHOOL	1,000	
10	4261	COLLIN COUNTY COMMUNITY COLLEGE	1,000	
11	4261	COSSATOT COMMUNITY COLLEGE	5,750	
12	4261	FARMINGTON MIDDLE SCHOOL	750	
13	4261	FAYETTEVILLE PUBLIC EDUCATION FOUNDATION	2,500	
14	4261	GENTRY HIGH SCHOOL	1,500	
15	4261	GENTRY PRIMARY SCHOOL	100	
16	4261	GENTRY PUBLIC SCHOOL DISTRICT	2,000	
17	4261	GREENWOOD EDUCATION FOUNDATION	500	
18	4261	HELEN TYSON MIDDLE SCHOOL	930	
19	4261	HENDERSON ISD EDUCATION FOUNDATION	2,000	
20	4261	INDEPENDENCE BOWL	5,450	
21	4261	J K HILEMAN ELEMENTARY	500	
22	4261	KILGORE COLLEGE FOUNDATION	1,000	
23	4261	LIVE UNITED TEXARKANA BOWL	2,000	
24	4261	LOUISIANA COLLEGE	200	
25	4261	LOUISIANA STATE UNIVERSITY	18,550	
26	4261	LOUISIANA TECH UNIVERSITY FOUNDATION INC	2,000	
27	4261	MANSFIELD PUBLIC SCHOOLS	1,500	
28	4261	MARSHALL EDUCATION FOUNDATION	1,000	
29	4261	MCNEESE STATE UNIVERSITY	250	
30	4261	NORTHEAST TEXAS COMMUNITY COLLEGE	2,000	
31	4261	NORTHWOOD HIGH SCHOOL	300	
32	4261	PANOLA COLLEGE	1,000	
33	4261	PINE TREE HIGH SCHOOL	500	
34	4261	PLANTATION PARK ELEMENTARY	500	
35	4261	RIVERSIDE ELEMENTARY	1,000	
36	4261	ROGERS PUBLIC EDUCATION	500	
37	4261	ROUGH RIDER SCHOLARSHIP FOUNDATION	2,000	
38	4261	SAM HOUSTON ELEMENTARY	500	
39	4261	SILAM SPRINGS HIGH SCHOOL	1,500	
40	4261	SINGLE PARENT SCHOLARSHIP FUND	1,500	
41	4261	SOUTHERN UNIVERSITY	5,480	
42	4261	SOUTHERN UNIVERSITY FOUNDATION	2,500	
43	4261	SPRING HILL EDUCATION FOUNDATION	500	
44	4261	SPRINGDALE PUBLIC SCHOOLS	500	
45	4261	ST MICHAEL SPECIAL SCHOOL	300	
46	4261	TEXARKANA COLLEGE	3,000	
47	4261	TEXAS A&M	2,000	
48	4261	TEXAS A&M UNIVERSITY TEXARKANA	4,000	
49	4261	TEXAS HIGH SCHOOL	6,500	
50	4261	TEXAS MIDDLE SCHOOL	500	
51	4261	TEXAS STATE TECHNICAL COLLEGE	4,000	
52	4261	TRINITY EPISCOPAL SCHOOL	500	**
53	4261	UNIVERSITY ELEMENTARY	500	

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Educational Contributions & Donations  
For the Test Year Ended March 31, 2020

Line No	(1) FERC ACCT	(2) Category	(3) Test Year Amount	(4) Brief Purpose of Organization *
54	4261	UNIVERSITY OF ARKANSAS	7,500	
55	4261	UNIVERSITY OF ARKANSAS FOUNDATION	750	
56	4261	UNIVERSITY OF CENTRAL ARKANSAS	500	
57	4261	UNIVERSITY OF TEXAS	1,000	
58	4261	WAGGONER CREEK ELEMENTARY SCHOOL	500	
59	4261	YOUREE DRIVE MIDDLE SCHOOL	500	
60		Subtotal	155,660	
61	Sch G-4 2a 1	Billed From AEP Service Corporation	41,869	
62	**	Amounts not included in cost of service	\$ (3,250)	
63		Total Educational Contributions/Donations Subject to Limitation	<u>\$ 194,279</u>	
			G-4 2	

\* The purpose is indicated in the title in the Description column.

64 SWEPCO Direct Educational Contributions/Donations Reclassified to 9302 152,410 A-3.14

American Electric Power Service Corporation  
Billings to Southwestern Electric Power Company  
Schedule G-4.2a 1: Summary of Educational Contributions & Donations  
For the Test Year Ended March 31, 2020

Line No	(1) FERC ACCT	(2) Category	(3) Test Year Amount	(4) Brief Purpose of Organization *
1	4261	ALLEGHENY COLLEGE	\$ 27	
2	4261	ARIZONA STATE UNIVERSITY	65	
3	4261	ASPEN INSTITUTE	7,874	
4	4261	BINGHAMTON UNIVERSITY FOUNDATION	(1,192)	
5	4261	CITADEL FOUNDATION	32	
6	4261	COOPER UNION	108	
7	4261	CROWDER COLLEGE FOUNDATION INC	213	
8	4261	DARTMOUTH COLLEGE	27	
9	4261	EASTERN WASHINGTON UNIVERSITY	54	
10	4261	ELIZABETHTOWN COLLEGE	108	
11	4261	GANNON UNIVERSITY	27	
12	4261	HARVARD UNIVERSITY	10,801	
13	4261	HOFSTRA UNIVERSITY	54	
14	4261	MANHATTAN COLLEGE	108	
15	4261	MONTCLAIR STATE UNIVERSITY	213	
16	4261	NATIONAL MERIT SCHOLARSHIP CORPORATION	4,347	
17	4261	NATIONAL PRESS FOUNDATION	367	
18	4261	NEW MEXICO STATE UNIVERSITY FOUNDATION	396	
19	4261	NORTHWESTERN UNIVERSITY	108	
20	4261	NYFWA EDUCATION SCHOLARSHIP FOUNDATION	432	
21	4261	PACE UNIVERSITY GIFTS PROCESSING CENTER	26	
22	4261	PITTSBURG STATE UNIVERSITY	213	
23	4261	RENSSELAER POLYTECHNIC INSTITUTE	324	
24	4261	RIPON COLLEGE	105	
25	4261	SAINT LOUIS UNIVERSITY	108	
26	4261	ST JOSEPH COLLEGE ALUMNI FUND	108	
27	4261	ST THOMAS HIGH SCHOOL FOUNDATION	10,801	
28	4261	STEVENS INSTITUTE OF TECHNOLOGY	213	
29	4261	TRUSTEES OF PRINCETON UNIVERSITY	105	
30	4261	UCLA FOUNDATION	108	
31	4261	UNIVERSITY OF GEORGIA	105	
32	4261	UNIVERSITY OF ILLINOIS FOUNDATION	270	
33	4261	UNIVERSITY OF MISSISSIPPI	108	
34	4261	UNIVERSITY OF NORTH CAROLINA	108	
35	4261	UNIVERSITY OF PITTSBURGH	70	
36	4261	UNIVERSITY OF ST THOMAS	108	
37	4261	UNIVERSITY OF WISCONSIN	108	
38	4261	WASHINGTON UNIVERSITY	188	
39	4265	BINGHAMTON UNIVERSITY FOUNDATION	4,522	
40		Subtotal	41,869	
41	**	Amounts not included in cost of service	\$ -	
42		Total Educational Contributions/Donations Subject to Limitation	\$ 41,869	
			G-4.2a	

\* The purpose is indicated in the title in the Description column.



SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Community Service Contributions & Donations  
For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Category	(3) Test Year Amount	(4) Brief Purpose of Organization *
1	4261	AEP FOUNDATION	5,477,885	**
2	4261	AFRICAN AMERICAN AWARDS	1,000	
3	4261	ALS ASSOCIATION	1,500	
4	4261	ALZHEIMERS ALLIANCE	2,000	
5	4261	ALZHEIMERS ASSOCIATION	2,000	
6	4261	AMERICAN ADVERTISING FEDERATION	500	
7	4261	AMERICAN CANCER SOCIETY	250	
8	4261	AMERICAN ROSE SOCIETY	1,000	
9	4261	ARKANSAS ARTS ACADEMY	500	
10	4261	ARKANSAS CHILDRENS HOSPITAL	2,000	
11	4261	ARKANSAS ENVIRONMENTAL FEDERATION	2,000	
12	4261	ARKANSAS GOVERNORS MANSION	1,500	
13	4261	ARKANSAS MARTIN LUTHER KING JR	1,000	
14	4261	ARKANSAS MUNICIPAL LEAGUE	1,000	
15	4261	ARTISTS OF NORTHWEST ARKANSAS	100	
16	4261	AR-TX REDI	20,000	
17	4261	ASHDOWN ROTARY CLUB	500	**
18	4261	ASSOCIATION OF ARKANSAS COUNTIES	1,200	**
19	4261	BELLS FOR YOUTH INC	1,500	
20	4261	BETTY WILKINSON SENIOR ACTIVITY CENTER	1,500	
21	4261	BLUE SANTA PROJECT	720	
22	4261	BOSSIER INNOVATES FOUNDATION	800	
23	4261	BOY SCOUTS OF AMERICA	5,000	
24	4261	BOYS & GIRLS CLUBS	12,125	
25	4261	BREAD OF LIFE	500	
26	4261	BUCKNER CHILDREN & FAMILY SERVICES	1,100	
27	4261	CADDO BIOCONTROL ALLIANCE	2,000	
28	4261	CADDO CAREER & TECHNOLOGY CENTER	1,500	
29	4261	CADDO-BOSSIER CANCER FOUNDATION LEAGUE	500	
30	4261	CARTHAGE ISD	2,000	
31	4261	CASA OF NORTHWEST ARKANSAS	1,250	
32	4261	CASA OF TITUS CAMP & MORRIS COUNTIES	1,000	
33	4261	CHARITY RUNS INC	1,000	
34	4261	CHILDRENS ADVOCACY CENTER	12,000	
35	4261	CHRISTMAS ON CADDO	1,000	**
36	4261	CHRISTUS ST MICHAEL	2,500	
37	4261	COMBAT WARRIORS	1,500	
38	4261	COMMUNITY RENEWAL INTERNATIONAL	2,500	
39	4261	COMPASSION FOR LIVES	300	
40	4261	CREOLE HERITAGE CENTER	1,000	
41	4261	D O R S COMMUNITY SERVICES	500	
42	4261	DEKALB OCTOBERFEST	300	
43	4261	DELTA WATERFOWL	250	
44	4261	DOLLAR ENERGY FUND INC	100,063	
45	4261	DOMESTIC VIOLENCE PREVENTION	1,000	
46	4261	DONLEY COUNTY SENIOR CITIZENS	500	
47	4261	DREAM HUNT FOUNDATION	400	
48	4261	EAST TEXAS ALZHEIMERS ALLIANCE	1,000	
49	4261	EAST TEXAS FOOD BANK	3,000	
50	4261	EAST TEXAS LITERACY COUNCIL	1,400	
51	4261	EAST TEXAS YAMBOREE	500	
52	4261	EASTER SEALS	3,000	
53	4261	EDISON ELECTRIC INSTITUTE	7,218	**
54	4261	FAYETTEVILLE ROTARY FOUNDATION INC	500	**
55	4261	FILM PRIZE FOUNDATION INC	10,000	
56	4261	FIRST TEE OF THE PINEY WOODS	1,000	**

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Community Service Contributions & Donations  
For the Test Year Ended March 31, 2020

Line No.	(1) FERC ACCT	(2) Category	(3) Test Year Amount	(4) Brief Purpose of Organization *
57	4261	FOUR STATES FAIR ASSOCIATION	5,500	
58	4261	FRIENDS OF PARTNERS IN PREVENTION	800	
59	4261	GEAUX 4 KIDS	1,000	
60	4261	GINGERBREAD HOUSE	1,500	
61	4261	GOOD SHEPHERD FOUNDATION	3,000	
62	4261	GREAT TEXAS BALLOON RACE	1,500	
63	4261	GREATER LONGVIEW UNITED WAY INC	9,175	
64	4261	HABITAT FOR HUMANITY	2,000	
65	4261	HALL COUNTY HOME DELIVERED MEALS	500	
66	4261	HALLSVILLE AREA UNITED FUND	3,744	
67	4261	HALLSVILLE ISD	3,500	
68	4261	HALLSVILLE SESQUICENTENNIAL EVENT	1,000	
69	4261	HARRISON COUNTY UNITED WAY	3,192	
70	4261	HARVEST TEXARKANA	6,500	
71	4261	HEARTISANS	300	
72	4261	HEDLEY SENIOR CITIZENS ASSOCIATION INC	500	
73	4261	HIGHLAND AREA PARTNERSHIP	500	
74	4261	HIGHLAND RESTORATION ASSOCIATION	400	
75	4261	HOLY ANGELS	4,000	
76	4261	HOPE CONNECTIONS	1,730	
77	4261	HOPE DISTRIBUTORS	300	
78	4261	HOSPICE OF TEXARKANA	2,000	
79	4261	INSTITUTE FOR GLOBAL OUTREACH	500	
80	4261	JUNIOR ACHIEVEMENT	5,000	
81	4261	JUNIOR LEAGUE	4,000	
82	4261	JUNIOR LEAGUE OF TEXARKANA	150	
83	4261	KTXK - TEXARKANA PUBLIC RADIO	1,000	
84	4261	LINDEN HERITAGE FOUNDATION	500	
85	4261	LITERACY COUNCIL OF BOWIE	500	
86	4261	LONGVIEW ANIMAL CARE & ADOPT CENTER	1,000	
87	4261	LONGVIEW ARBORETUM & NATURE CENTER	1,000	
88	4261	LONGVIEW CENTURION CLUB	1,000	
89	4261	LONGVIEW COMMUNITY MINISTRIES	1,500	
90	4261	LONGVIEW GREGGTON ROTARY CLUB	1,000	**
91	4261	LONGVIEW ISD	1,000	
92	4261	LONGVIEW MUSEUM OF FINE ARTS	2,000	
93	4261	LONGVIEW SYMPHONY LEAGUE	3,000	
94	4261	LONGVIEW WORLD OF WONDERS	5,000	
95	4261	LOUISIANA CLEAN FUELS	4,500	
96	4261	MAGNOLIA STATE PEACE OFFICERS ASSOC	250	
97	4261	MARSHALL CONVENTION & VISITORS BUREAU	3,750	
98	4261	MARTHA & JOSH MORRIS MATHEMETICS &	219	
99	4261	MERCY HEALTH FOUNDATION	1,500	
100	4261	MORNING STAR WILDLIFE REHABILITATION CTR	2,000	
101	4261	MOUNT SEQUOYAH CENTER INC	500	
102	4261	MUDBUG MADNESS FESTIVAL	23,500	
103	4261	MUSCULAR DYSTROPHY ASSOCIATION	500	
104	4261	NAACP	2,900	
105	4261	NAPLES RODEO CLUB	250	**
106	4261	NATCHITOCHES PARISH	1,500	
107	4261	NATIONAL FIRE SAFETY COUNCIL	250	
108	4261	NORTH & EAST TEXAS PRESS ASSOCIATION	1,000	
109	4261	NORTH CADDO MEDICAL CENTER	250	
110	4261	NORTHEAST TEXAS CASA INC	1,000	
111	4261	NORTHEAST TEXAS HABITAT FOR HUMANITY	2,000	
112	4261	NORTHWEST ARKANSAS FOOD BANK	1,750	

SOUTHWESTERN ELECTRIC POWER COMPANY  
Summary of Community Service Contributions & Donations  
For the Test Year Ended March 31, 2020

Line No	(1) FERC ACCT	(2) Category	(3) Test Year Amount	(4) Brief Purpose of Organization *
113	4261	NORTHWEST LOUISIANA	4,500	
114	4261	NSU FOUNDATION INC	1,000	
115	4261	OLD STATE CAPITOL FOUNDATION	1,000	
116	4261	ONE HUNDRED ACRES OF HERITAGE	1,480	
117	4261	OPPORTUNITIES INC	2,000	
118	4261	PARTNERSHIP FOR THE PATHWAY	500	
119	4261	PINE TREE ISD	500	
120	4261	QUEEN CITY POLICE DEPARTMENT	1,000	
121	4261	RAZORBACK FOUNDATION INC	2,650	
122	4261	RED RIVER REVEL ARTS FESTIVAL	3,000	
123	4261	REEL EAST TEXAS FILM FESTIVAL	4,000	
124	4261	REGIONAL NATIONAL CEMETERY	500	
125	4261	RIGHT TO PLAY INC	300	
126	4261	ROBELINE, VILLAGE OF	500	
127	4261	ROBINSON FILM CENTER	10,000	
128	4261	RODEO OF THE OZARKS	1,316	**
129	4261	RONALD MCDONALD HOUSE CHARITIES	3,000	
130	4261	ROTARY CLUB	1,000	**
131	4261	RUSK COUNTY HISTORICAL	500	
132	4261	SABINE COMMUNITY CONNECTION	1,000	
133	4261	SABINE FREESTATE FESTIVAL	2,000	
134	4261	SAINTS ROOST MUSEUM	500	
135	4261	SALT FESTIVAL HERITAGE ASSOCIATION	500	
136	4261	SALVATION ARMY	2,000	
137	4261	SHAMROCK MEALS ON WHEELS	500	
138	4261	SHELBY COUNTY CHILDRENS ADVOCACY CENTER	2,000	
139	4261	SHOP WITH A COP	1,500	
140	4261	SHRINERS HOSPITAL FOR CHILDREN	1,000	
141	4261	SM MINISTRY IN MUSIC	1,000	
142	4261	SOUTHERN SPORTSMEN FOUNDATION	1,000	
143	4261	STATE FAIR	2,000	
144	4261	STRAND THEATRE OF SHREVEPORT	6,000	
145	4261	SURFARI PALS INC	500	
146	4261	SUSAN G KOMEN FOR THE CURE	955	
147	4261	TEXARKANA HISTORICAL SOCIETY & MUSEUMS	1,250	
148	4261	TEXARKANA ISD	500	
149	4261	TEXARKANA RESOURCES FOR THE DISABLED INC	1,000	
150	4261	TEXAS COUNTRY MUSIC HALL OF FAME	500	
151	4261	UNITED WAY	82,207	
152	4261	UNITED WAY OF FORT SMITH AREA	2,388	
153	4261	UNITED WAY OF KILGORE INC	390	
154	4261	UNITED WAY OF METRO DALLAS	2,048	
155	4261	UNITED WAY OF RUSK COUNTY	900	
156	4261	VIETNAM VETERANS OF AMERICA	250	
157	4261	WASHINGTON COUNTY 4-H FOUNDATION	2,000	
158	4261	WASHINGTON FIRE AUXILIARY	500	
159	4261	WASHINGTON REGIONAL FOUNDATION	3,500	